Daily Report

Latin America

FBIS-LAT-87-246
Wednesday
23 December 1987

Daily Report
Latin America

FBIS-LAT-87-246 *23 December 1987*

CONTENTS

INTER-AMERICAN AFFAIRS

River Plate Foreign Ministers Meet
Issue Communique *[Buenos Aires TELAM 20 Dec]* 1

CARIBBEAN

Cuba

Soviet Deputy Culture Minister Arrives 2
Hart Receives Delegation 2
Raul Castro Presides Over Security Ceremony 2
Colombian Patriotic Union President Arrives 2
Castro Receives Spanish Education Minister *[Madrid]* 2
Castro Meets Puerto Rican Party Leader 2
Fidel Castro Celebrates Teachers Day 3
Holguin 'Price Violations' Cause Losses 3

Dominican Republic

Barreras Speaks on Mistreatment of Haitians 3

Haiti

Bazin, Gourgue, Dejoie, Claude Meet Press 3
Claude Comments After Shooting by Soldiers 5
BEC Members Selection Meets Resistance 5

Jamaica

Seaga Comments on Region's Position on Haiti 6
Trinidad's Robinson Responds 6

St Christopher and Nevis

Reformation Party Wins Local Elections 7
Administration Sworn In 7

MEXICO

State Officials Speak on Upcoming Elections 8
Correction to New Stock Measures, Changes 8

CENTRAL AMERICA

Nicaragua

Ortega on Talks, Contra Aid Vote, Offensive 9
Reportage on Results of Contra Offensive 11
EPS Controls Towns *[BARRICADA 22 Dec]* 11
Cost 'Grievous, Deplorable' *[EL NEUVO DIARIO 22 Dec]* 11
EPS' Wheelock Downplays Attack *[AFP]* 12
RN Leader: Attack 'Successful' *[AFP]* 13
Bermudez: 'Greatest Victory' *[Buenos Aires REUTER]* 13

Contras Claim Siuna Victory *[AFP]* 14
Minister Says Plane Attacked From Costa Rica 14
Contras Break Off Santo Domingo Talks *[EFE]* 14
Government Envoy on Talks *[EFE]* 15
Talks End Without Agreement 15
Foreign Ministry Raps Contra Aid Vote 16
Ramirez Views Cease-Fire, National Dialogue 16
Carlos Nunez Examines Political 'Impasse' 17
Opposition Blames Government for 'Stalemate' 18
Opposition Parties Hold March, Call for Unity 18
Ortega Names Sandinists to Supreme Court *[LA PRENSA 17 Dec]* 18
PSN Protests 19
Opposition Leader on Spanish Role, Situation *[Madrid ABC 2 Dec]* 20
Mexican Envoy Says Oil Shipments To Continue 23
Trade With, Aid From Eastern Bloc Cited 23
Minister Notes Drop in Industrial Development 23
Agrarian Reform Official Cites Achievements 23

Panama

Presidency Clarifies Scope of Pardon, Amnesty *[LA ESTRELLA DE PANAMA 21 Dec]* 24
Pardon Announced 22 Dec 24
'Plot' Against Country, Noriega Analyzed *[CRITICA 18 Dec]* 24
Arias Calderon on Noriega, Delvalle Speeches 26
Proposed Electoral Tribunal Changes Criticized 30
Panamenist Leader Wants Closer Libyan Ties *[LA ESTRELLA DE PANAMA 19 Dec]* 31
Businessmen Question Relations *[LA ESTRELLA DE PANAMA 18 Dec]* 31
Minister on 'Positive' Economic Growth 32
Government Announces 13th Month Bonus Delay 32

SOUTH AMERICA

Argentina

Soviet Deputy Foreign Minister Meets Alfonsin 33
Sourrouille Denies Resignation Rumors 33
Navy Lieutenant Astiz Promoted, Retired 33
Water Leak Reported at Atucha I Nuclear Plant 33

Brazil

Accord Reached With Banks; Debt Interest Paid 33
Foreign Minister Cited on U.S. Trade Measures *[O GLOBO 21 Dec]* 34
Government Issues Note on Chilean Refugees 34
Military Commanders Host Luncheon for Sarney 34
Aeronautics Minister Speaks *[FOLHA DE SAO PAULO 18 Dec]* 34
Sarney Gives Reply Speech *[FOLHA DE SAO PAULO 18 Dec]* 35
Federal Police Seize Cocaine in Santos 37
Parana State Made 'Denuclearized Zone' *[O GLOBO 22 Dec]* 38

Chile

Garcia Cited on Terrorist Extradition Request 38
No Comment Made on Ecuadoran Antarctic Claim 38
Young Demonstrators Arrested 19 Dec Released *[EFE]* 38
Three Alleged FPMR Terrorists Arrested 39
Training Camp Located 39
Mormon Church in Santiago Attacked *[EL MERCURIO 12 Dec]* 39

Paraguay

Uruguay's Iglesias Arrives, Discussses Trade *[EL DIARIO NOTICIAS 22 Dec]* 39
Meets Opposition Leaders *[ULTIMA HORA 22 Dec]* 40

Peru

Health Minister Resigns, Citing Strike as Reason *[AFP]* 41
Army Repels Attack; Clashes With Terrorists 41

River Plate Foreign Ministers Meet

PY191446 Buenos Aires TELAM in Spanish 2113 GMT 18 Dec 87

[Excerpts] Santa Cruz de la Sierra, 18 Dec (TELAM)—The foreign ministers of the member countries of the River Plate Basin—Argentina, Bolivia, Brazil, Paraguay, and Uruguay—today began analyzing concrete action plans to preserve the natural resources of the region and to improve the integration of the river [words indistinct].

The 17th meeting of the River Plate Basin foreign ministers was opened by Bolivian Foreign Minister Guillermo Bedregal Gutierrez in the presence of his counterparts from Argentina, Dante Caputo; Paraguay, Carlos Saldivar; Uruguay, Enrique Iglesias; and envoy of Brazilian Foreign Minister Roberto Costa de Abreu Sodre.

The Brazilian minister did not attend the meeting because of the disappearance of an airplane with four of his closest aides.

The integration programs are detailed in a so-called Concrete Actions Plan (PAC) which has already been agreed upon by the delegations. [passage omitted]

The plans that will be approved will be financed by the River Plate Basin Development Fund, which so far has carried out 19 integration programs. This fund has invested more than $50 million in Bolivia, nearly $40 million in Paraguay, more than $16 million in Argentina, and $4 million in Uruguay.

On 20 December, when the River Plate Basin meeting is closed, the foreign ministers of Argentina, Bolivia, and Peru will analyze separately the construction of a railroad between Buenos Aires, La Paz, and Matarani.

Issue Communique

PY211821 Buenos Aires TELAM in Spanish 1241 GMT 20 Dec 87

[Text] Santa Cruz de la Sierra, 20 Dec (TELAM)—The Committee of the 17th River Plate Basin meeting here has released a communique on the conclusions of the foreign ministers' meeting which ended yesterday.

The three main decisions made during the meeting concern the declaration of a river alert, the need for a study on the quality of the river waters, and the exploitation of the river areas.

The ministers also decided to give priority treatment to the Tarija-Vilamonte road (Bolivia), to the pavement of the Santa Cruz-Yacuiba road (Bolivia), to the construction of a railroad between Tarapaca and Zudaniez, and anoher linking Balcarce-Tarija-Palmar, also in Bolivia.

The ministers also approved a plan of action which includes the exploitation of the mineral resources of El Mutun, the construction of a hydroelectric complex in Las Pavas on the Bermejo River, and the establishment of a river corridor on the Parana, Paraguay, and Uruguay Rivers, which involves Paraguayan participation in the River Plate Basin projects.

They also approved several resolutions regarding the meeting of southern cone transportation ministers, the adoption of measures to facilitate navigation, as well as the implementation of binational projects to coordinate the construction of road and railroad infrastructure.

Cuba

Soviet Deputy Culture Minister Arrives

FL162153 Havana Radio Rebelde Network in Spanish 1800 GMT 16 Dec 87

[Text] (Nina Silkova), Soviet deputy culture minister, arrived this afternoon at the Jose Marti International Airport heading the delegation which will inaugurate Soviet Culture Days tomorrow in Cuba.

The deputy minister is accompanied by pilot-cosmonaut (Adrian Nikolayev); (Nikolai Gorbachev), secretary of the USSR Union of Writers and chairman of the Foundation of Literature; (Jan Frenkel), deputy chairman of the Union of Composers, artist of the people, recipient of the State Award; as well as other high-ranking culture officials of the Soviet Union. In response to a question about her first impressions of Cuba, she said:

[Begin (Silkova) recording in Russian with consecutive Spanish translation] We have prepared this official delegation in a very responsible manner. We wanted to bring comrades to learn about and observe the Cuban people, as well as to get to know other Cuban comrades. Each member of our delegation is a person who shows a great interest in this. [end recording]

Hart Receives Delegation

FL231230 Havana Television Service in Spanish 0100 GMT 20 Dec 87

[Text] Armando Hart Davalos, PCC Politburo member and culture minister has met with the Soviet delegation visiting our country on the occasion of Soviet Culture Days. Hart conversed with the visiting delegation headed by (Nina Silkova), USSR deputy culture minister. During the meeting, they examined the great relations existing between the two peoples and the cultural ties which are constantly expanding. They also discussed the activities which are taking place commemorating the 70th anniversary of the Great Socialist October Revolution.

Raul Castro Presides Over Security Ceremony

FL221655 Havana Tele-Rebelde Network in Spanish 1200 GMT 22 Dec 87

[Text] Army General Raul Castro, second secretary of the PCC Central Committee and FAR minister, has presided over the main event of the Interior Ministry [MININT] marking the 70th anniversary of the Soviet Union's state security organs. Soviet Ambassador to Cuba Aleksandr Kapto, Soviet specialists, as well as MININT and FAR generals, chiefs, and officials were present at the ceremony

The MININT decorated a group of Soviet specialists during a brief ceremony.

Division General Jose Abrahantes, member of the PCC Central Committee and interior minister, gave the main speech. He said the Cuban people, Government, and party jubilantly celebrate this anniversary of the legendary CHEKA security organs of the first workers' and peasants' state.

Colombian Patriotic Union President Arrives

FL221913 Havana Tele-Rebelde Network in Spanish 1200 GMT 22 Dec 87

[Text] Bernardo Alfonso Jaramillo, president of the political coalition Patriotic Union of Colombia and member of the Chamber of Representatives, arrived in Cuba last night from Bogota. Jaramillo is accompanied by his wife, Alba Lucia Lopez. He is in Cuba in response to an invitation from the PCC.

The Colombian delegation was met at the airport by Manuel Pineiro Losada, member of the PCC Central Committee and chief of the America Department, and (Jose Feroz), official of the America Department.

Castro Receives Spanish Education Minister

LD222232 Madrid in Spanish to Europe 2025 GMT 22 Dec 87

[Text] Spanish Education Minister Jose Maria Maravall today delivered to Cuban head of state Fidel Castro a message from Spanish Prime Minister Felipe Gonzalez. Castro and Maravall discussed education and other subjects of a political nature. The Spanish and Cuban restructuring processes, the differences between them, the situation in Latin America, and other aspects of international affairs were discussed by Castro and Maravall.

Castro Meets Puerto Rican Party Leader

FL221636 Havana Tele-Rebelde Network in Spanish 1200 GMT 22 Dec 87

[Text] Commander in Chief Fidel Castro, first secretary of the PCC Central Committee, has received Ruben Berrios, president of the Puerto Rican Independence Party and vice president of the Permanent Conference of Latin American Political Parties. Berrios has been in our country since 18 December at the invitation of the PCC.

On behalf of the independence party, Berrios expressed his appreciation for the position of the Cuban PCC and Government in international forums favoring Puerto Rico's independence.

The commander in chief once again stressed the principles of the revolutionary party and government in relation to the Puerto Rican nation's right to self-determination and independence.

Fidel Castro Celebrates Teachers Day

FL231235 Havana Radio Rebelde Network in Spanish 0000 GMT 23 Dec 87

[Report from the Pequenos Forjadores Child Care Center by Jose Arteaga]

[Text] At the time "El Rapido de las Siete" is being broadcast, our Commander in Chief Fidel Castro, president of the Councils of State and Ministers, is inaugurating the Pequenos Forjadores Child Care Center. In an exclusive interview for Radio Rebelde, Commander in Chief Fidel Castro said the following:

[Begin recording] [Arteaga] Today is a very important day in the inauguration of these child care centers. You know today is Teachers Day. We would like you to say a few words for Radio Rebelde.

[Castro] The inauguration of these 20 child care centers is a tribute to teachers. In other words, in this special way we have wanted to mark this day for all of Cuba's teachers.

[Arteaga] The enemies of the revolution say we violate human rights. However, the best way for us to say in Cuba human rights are not violated is by the inauguration of these child care centers. We would like your comments on this.

[Castro] It is not only the inaugurations. It is also the fact that life expectancy has been raised to 74 years, infant mortality has been reduced to 13 [not further specified], all unemployment and educational problems have been solved, there is medical care for the population, and the dignity brought by the revolution is greater. Here, in 30 years, we have never used policemen, tear gas, water cannons against the people; yet this is the daily bread in the developed countries of Europe, in the United States, and everywhere.[End recording]

Holguin 'Price Violations' Cause Losses

FL171506 Havana Radio Reloj Network in Spanish 1506 GMT 16 Dec 87

[Text] In an analysis made by the Holguin PCC Provincial Committee Economic Department, it was learned that due to unauthorized price alterations by an equipment enterprise, four other enterprises lost over 53,000 pesos in just 4 months. These price violations were made by the Holguin Central Equipment Enterprise during the period of December 1986 through June 1987. The Holguin Enterprise made this undue profit by charging for rental of equipment and crane repairs. The Architectural Works Construction Enterprise #31, the Moa Engineering Enterprise, the Comandante Ramos Latour Nickel Enterprise in Nicaro, and the Prefabricated Products Enterprise in Granma were among the enterprises affected by this practice.

A Holguin bread and pastries enterprise also had a high rate of violations. The price it had charged for its products had brought them a profit of approximately 75,000 pesos in detriment of the economic efficiency of five other enterprises.

Dominican Republic

Barreras Speaks on Mistreatment of Haitians

FL221423 Santo Domingo Cadena Brea Pena in Spanish 0954 GMT 22 Dec 87

[Text] The secretary of the Dominican Armed Forces has said illegal Haitians in the country being (?detained) by the military are given the choice of working in the sugar harvest or returning to Haiti. Lieutenant General Antonio Imbert Barreras said this is the country's position. These people are not being mistreated, he said, just because [words indistinct]. The Haitians are replacing Dominicans in work centers where they traditionally have held these positions, the Armed Forces secretary added.

If the media considers it abusive to give the Haitians the choice of working in the sugar harvest or returning to Haiti, Imbert Barreras said, then the mistreatment will continue.

Haiti

Bazin, Gourgue, Dejoie, Claude Meet Press

FL222237 Port-au-Prince Radio Metropole in French 1700 GMT 22 Dec 87

[Passages within quotation marks recorded]

[Excerpts] The CED, which is the Committee for Democratic Understanding [le Comite de l'Entente Democratique] and is made up of leaders Bazin, Gourgue, Dejoie, and Sylvio Claude, met the press this morning.

The leaders took stock of the political situation and reiterated the alternative to the National Government Council [CNG] proposed a few days ago; that is, the formation of a five-member civilian-military government.

They also noted the messages broadcast over Radio Tele-Diffusion Nationale d'Haiti [RTNH, government television and radio stations] calling for their arrest. For more details, we are going to hear from (Clarens) [Radio Metropole reporter], who attended the news conference. Good day, (Clarens).

[(Clarens)] Good day, (Ketly). This was the first meeting of its kind to be held at the Holiday Inn, the hotel that has been host to so many political leaders since 7 February 1987, albeit leaders always acting in their individual capacity. [passage omitted] Announced as a

meeting held under the banner of unity and democratic agreement, it took place at 1000, as scheduled, and was attended by both local journalists and members of the international press.

As they themselves said—and also as Mr Serge Villard, who arrived directly from Cap-Haitien to attend the news conference, was to say later—the leaders represent some 80 or 90 percent of the electorate, and they denounced what they term the government's maneuvers by means of the messages being read over the national television station. They said these messages accuse the country's true democrats of the crimes committed before 29 November 1987 which caused the cancellation of the elections.

The reasons given by the CNG for dismissing the nine members of the Provisional Electoral Council [CEP] were also rejected by the leaders present at today's news conference. They proposed an alternative to the CNG, stressing its total failure in all spheres of activity—political, economic, and social—and on all fronts and on all points.

For his part, Mr Louis Dejoie II, who was rather agitated, described the threats against the CED leaders proferred over the national television station as unacceptable. The four leaders called on the local press to denounce these maneuvers which, according to attorney Gerard Gourgue, reflect on the entire independent local press.

The leaders also called on the international community to be vigilant so the democratic process can continue in Haiti. They urged the international community, Haiti's friends, to help democracy, to help save democracy in Haiti, as Mr Marc L. Bazin put it.

Here is an excerpt of Bazin's statements:

[Bazin] "We are calling for solidarity from all those who believe in human rights, in a person's right to do as he wishes with his own self, in the right of the individual to express his will, in the right of Haitians to choose whatever government they want for themselves, for their children, for their families, and for the destiny of the fatherland. We are calling for solidarity from all those who believe that men, that these Haitians, have a right to peacefully enjoy this right, without being attacked by assassins who are free from punishment as if we were of no account. We ask them to help democracy here in Haiti.

"As to what form their support can take, we want it to be in conformity with national honor and dignity. We don't think a reason, or pretext, should be offered to people who have eternally humiliated and sullied the fatherland, so they can today set themselves up as judges, or as choirmasters of a nationalism that they wouldn't even know what to do with. [applause] We ask them not to give these false patriots any pretext that will enable them to give any lessons in patriotism to us, who have made the honor of this country a way of life. [applause]

"It is so true they are using these invasion rumors to try to force true patriots into the stance that nothing has been done in this country to show that the foreign invasion rumors are being taken seriously. Where is the advice to the civilian population as regards its protection? Who has advised us that we must take shelter when they start bombing? Has anybody put sandbags out in the streets for our protection? Who has done anything at all for us? Who has recalled his ambassador? Who has expelled an ambassador?

"So what are they talking about? We are being made fools of! They are trying to make this country a laughing stock once again. Therefore, I say to the Americans, to the French, to the Canadians: Don't give the false democrats any pretexts. Don't let them use nationalism to attack us. On the other hand, do help us. Help us establish well-structured political parties. Help us in our daily struggle to mobilize popular opinion. And believe me; believe in us. We can get the job done. [applause]"

[(Clarens)] [Passage omitted] In his appeal, Bazin also asked friendly countries to help Haiti and all democrats to save democracy. He wanted the Americans to understand the Haitian people want to assume responsibility for their own fate, for their own change.

And speaking of change, for his part, Pastor Sylvio Claude, leader of the Haitian Christian Democratic Party, called for a change in men in this country, rather than for a change in institutions. He gave this explanation because of a question regarding the Haitian Armed Forces. Claude explained he did not mean to attack the Haitian Army as an institution, but, he said, there are evil and dishonest men in the army, the kind of men that need to be changed. Therefore, he called for a change of men. [(Clarens) changes to Creole] The conference continued. There were many positions taken. Attorney Gerard Gourgue of the National Concerted Action Front also spoke. He (?expressed satisfaction with) the agreement reached within the CED. [passage omitted]

Two former members of the Constitutional Assembly also spoke. The first was Mr Serge Villard, who had come from Cap-Haitien. He was one of the architects of Article 291 of the Constitution, which has caused many problems in Haiti. He came forth to explain the circumstances under which he had proposed that article, which was accepted unanimously by the Constitutional Assembly. He said it was only fair that after a series of bad things, the people who were the cause of those bad things were set aside for awhile, in order to allow the country to make a new start toward progress, under new men.

Mr Villard spoke up at the news conference to ask the four political leaders to be even more united so they could work toward a true change in Haiti.

[(Ketly)] [Passage omitted] Messages of support for CNG President Henri Namphy demanding the arrest of the four major presidential candidates—Bazin, Gourgue, Dejoie, and Sylvio Claude—were indeed read over RTNH yesterday evening. The messages, which came from provincial towns, called the four Haitian political leaders traitors, criminals, and enemies of the people, and accused them of wanting to deliver the country over to foreign colonialists. One of these messages said: We are pointing them out to you, general, and waiting for the enemies of the people to be punished.

Another message accused these leaders of collusion with U.S. Congressman Walter Fauntroy, a member of the Black Caucus, which is an organization of black American congressmen; the group had called for international intervention in Haiti led by the United States following the massacres which caused the cancellation of the general elections. [passage omitted]

Another presidential candidate, Thomas Desulme, the leader of the National Labor Party, announced yesterday he was withdrawing his candidacy and would not run in the 17 January 1988 elections. Desulme said he was disappointed at seeing a new CEP formed and with the CNG's promulgation of a new electoral decree. This is not a patriotic solution to the country's current crisis, Desulme said. He said he felt that through the electoral decree, the executive has taken control of the elections. That is why Desulme, who was a candidate in the 29 November elections, will not participate in the 17 January ones. He also stated it would be irresponsible for a political leader to ask the people to take to the streets or to go on strike to get the CNG to leave power. Lastly, he called for unity.

The messages calling for the arrest of the four major presidential candidates were discussed during the CED news conference this morning. We are going to hear what Louis Dejoie II had to say about them.

[Dejoie] "We heard over television yesterday there were a lot of people saying that (?we had to be killed). This is a formal statement made by someone over television. It isn't a joke. So now it is up to you press people to make things known properly. If we are working in the interest of the people, as a government which allegedly came here in order to fix democracy in the country, and now they are accusing us of wanting to bring foreigners into the country, whereas it is they who are going all they can to get foreigners in. [sentence as heard] In fact, they are committing genocide.

"I am so angry now—and my colleagues too—that when I saw that on TV last night...[changes thought] The people must find it unacceptable for a government to sit there and accuse three or four democratic political leaders who are trying to settle something for the Haitian people; and to sick a bunch of bulldogs on us, [words indistinct] outlaw, when I go outside, so any old tramp, (?so that any old) macoute Duvalierist can shoot at us." [passage omitted]

Claude Comments After Shooting by Soldiers

FL230030 Port-au-Prince Radio Nationale in Creole 1400 GMT 22 Dec 87

[Text] One person was killed and four others were wounded by bullets yesterday in Port-au-Prince. According to witnesses, soldiers shot them following a ceremony held in memory of the victims of last 29 November organized by the Haitian Christian Democratic Party, PDCH, and by Ajepopo [Association of Youth of the People of Port-au-Prince].

These new casualty figures were furnished by the hospital. An initial report spoke of one dead and two wounded. According to PDCH president Pastor Sylvio C. Claude, all were PDCH members.

The incident occurred at midday, following a symbolic funeral service at the cathedral of Port-au-Prince attended by several hundred people. The people took to the streets following the ceremony.

According to several PDCH members, a military truck carrying soldiers dressed in olive green blocked the street at that time, and a few shots were fired at the people participating in the procession. The body of a young man who had been shot through the eye was seen lying on the ground before an ambulance came and picked him up.

After the incident, Claude, who is one of the major presidential candidates, launched an appeal to the international community to support the Haitians so they can change the existing government.

The name of the PDCH member who was killed is (Idelie Merove). The two wounded are (Jean-Claude Christophe) and (Jean-Claude Salomon).

BEC Members Selection Meets Resistance

FL230035 Port-au-Prince Radio Nationale in Creole 1400 GMT 22 Dec 87

[Report by La Gonave correspondent (Ajax Michel])]

[Excerpt] At approximately 1230 yesterday, a Haitian Armed Forces helicopter landed in Anse a Galets. Aboard the helicopter was a three-member delegation from the new Provisional Electoral Council [CEP] in Port-au-Prince. The delegation was headed by CEP President Jean Gilbert. With him were Deputy Treasurer Elie Laroche and CEP member Dr Joseph Azor. The purpose of the visit was to organize a new Communal Electoral Office [BEC] with all new people.

After much running around, they managed to find some 20 people to act as observers. The CEP members did not fail to accuse the Catholic Church and the former members of the CEP of being involved in underhanded dealings. We must tell you the observers did not like hearing this. They say the Catholic Church and the former members of the CEP were always honest.

That is why there were many protests and difficulties in choosing the three BEC members. Two were chosen whom the public vigorously protested. To pacify the population, the CEP members finally chose someone who belonged to the first BEC, Mr Christian Oscar. The other two members chosen—those who were contested—are Messrs (Andre Bruno) and (Aldes Francois), whom the population does not trust at all.

According to Mr Jean Gilbert, each candidate is responsible for printing his own ballots with his own money. For the candidates who have no money—tough! This means if you are not a fish, you should not swim into the fishnet; or, to put it another way, you can take as many lessons as you can afford to pay for.[sentence as heard]

Mr Gilbert said there are 37 presidential candidates. Those who already had paid their candidacy fees have nothing more to pay. Anyone else who may wish to run must pay.

The members of the delegation were to have gone on to Pointe a Raquette to set up the BEC there, but they ran out of time because all the time they had was spent arguing in Anse a Galets. They promised to go to Pointe a Raquette when they set up the BEC/West. [passage omitted]

Jamaica

Seaga Comments on Region's Position on Haiti

FL222013 Kingston Domestic Service in English 1800 GMT 22 Dec 87

[Text] Prime Minister Seaga has said that the group of Caribbean Concerned Leaders has rejected the arrangement for conduct of the elections in Haiti and will continue to watch developments on a daily basis, particularly the response of the Haitian people.

A news release from Jamaica House today following a meeting with the diplomatic corps outlined the position taken by the Caribbean leaders when they visited Haiti early this month. The release said that Prime Minister Seaga, as spokesman of the leaders, had indicated to the interim government that the conduct of elections could not be perceived as directly under the control of the government as then elections would lose all international credibility.

Mr Seaga said various ideas were discussed but it was insisted that whatever means were adopted, the representatives of the nine-member electoral committee should be in the majority so that government would not be in a position to control the administration of the elections. He said the new appointments to the electoral committee have been condemned by the international media, from candidates, and some concerned leaders.

The concerned leaders also condemned the proposal that candidates should send their own ballots and the exclusion of international observers at polling stations.

The prime minister was speaking at the news conference at Jamaica House.

Trinidad's Robinson Responds

FL222031 Kingston Domestic Service in English 1800 GMT 22 Dec 87

[Text] Trinidad and Tobago's Prime Minister Mr A.N.R.Robinson says his government knew nothing about the so-called Caribbean initiative on Haiti, which was led by Prime Minister Edward Seaga. He told reporters yesterday that he was quite surprised about the new initiative.

The Concerned Caribbean Leaders, the CCL, includes Prime Minister Edward Seaga; John Compton of St Lucia who is also the chairman of Caricom; James Mitchell of St Vincent and the Grenadines; Don Martina of the Netherlands Antilles; and Henny Eman of Aruba. They recently visited Haiti following the aborted attempt of general elections on November 29.

Haitian military leader Henri Namphy announced a new January 17 election date on the eve of the visit of the five-member team.

Mr Robinson says Caricom leaders last met in Vancouver during the Commonwealth Heads of Government Conference when, at the meeting not attended by Mr Seaga, Haiti had been on the agenda along with Fiji and South Africa. Mr Robinson says that no Caribbean community initiative had been launched although Trinidad and Tobago had been in favor of sending observers to Haiti for elections while Jamaica was not.

The Trinidad and Tobago prime minister says Prime Minister Seaga had also to check on events taking place in Haiti and report to Caricom but that he has seen no such report today.

On the eve of the derailed elections, Jamaica announced that Caricom had agreed to send one of its ministers, Education Minister Dr Neville Gallimore, to observe the polls.

Mr Robinson says Trinidad and Tobago is not connected with the initiative.

St Christopher and Nevis

Reformation Party Wins Local Elections

FL172000 Bridgetown CANA in English 1810 GMT 17 Dec 87

[Text] Charlestown, Nevis, Dec 17, CANA—Following are the final results of Monday's local government elections in Nevis, won (4-1) by the Nevis Reformation Party (NRP). The other parties in the race were the Concerned Citizens Movement (CCM), which won one seat, the Nevis National Party (NNP) and the Peoples Democratic Party (PDP).

Parish of St Paul, Charlestown:		
1. Victor J. Martin NRP	204	50.1 (percent of votes cast)
2. Franklyn Brandt CCM	99	24.3
3. Theodore Hobson PDP	94	23.1
4. Desmond Herbert NNP	6	1.5
Parish of St John, Fig Tree:		
1. Simeon Daniel NRP	402	57.8 (percent of votes cast)
2. Hesketh Chapman CCM	284	40.8
3. Andre Procope NNP	8	1.1
Parish of St George, Gingerland:		
1. Uhral Swanston NRP	350	43.4 (percent of votes cast)
2. Vance Amory CCM	48	55.6
Parish of St James, Windward:		
1. Phineas Griffin NRP	297	52.4 (percent of votes cast)
2. Melville Jeffers CCM	270	47.6
Parish of St Thomas, Lowland		
1. Joseph Parry NRP	396	81 (percent of votes cast)
2. Keithly Tross CCM	79	16.2
Parish of St Paul, Charlestown:		
3. Paul Lawrence NRP	12	2.4

There were 4,741 registered voters of whom 2,955 or 62.5 percent participated in the elections. The NRP received 1,649 votes or 55.6 percent of the ballots cast, the CCM 1,180 or 39.8 percent, NNP 26 votes or .9 percent, and the PDP 94 votes or 3.2 percent.

In the 1983 elections in which the NRP won all five seats, 1,114 or 61.4 percent of the electorate participated. However, only three seats were contested as two of the candidates ran unopposed.

Administration Sworn In

FL170315 Bridgetown CANA in English 2148 GMT 16 Dec 87

[Text] Charlestown, Nevis, Dec 16, CANA—A new six-member administration was sworn in here on Wednesday following local government elections on Monday that saw the re-election of the Nevis Reformation Party (NRP) for a second term. Premier Simeon Daniel, who will also have responsibility for finance, education, trade and industry, heads the new administration.

Joseph Parry was given responsibility for development, planning, agriculture, lands, housing, labour and tourism, and Victor Martin will be the new minister of communications, work, public utilities and posts. Phineas Griffin will be his junior minister. Levi Morton was named parliamentary secretary in the ministry of trade and industry and the lone female appointee, Merlyn Clarke, was made a parliamentary secretary with responsibility for youth, women, and community affairs.

In his first official statement following the election, Premier Daniel pledged to do everything in his power to enhance progress, peace and productivity for all.

The NRP forms the central government of St Kitts-Nevis in a coalition with the People's Action Movement (PAM).

State Officials Speak on Upcoming Elections

FL221235 Mexico City NOTIMEX in Spanish 2109 GMT 21 Dec 87

[Text] La Marquesa, Mexico, 21 Dec (NOTIMEX)—Mario Ramon Beteta, governor of the central State of Mexico, and the former state governors Carlos Hank Gonzalez and Jorge Jimenez Cantu have dismissed reports there is a political crisis in the country.

Moments before the arrival here of Carlos Salinas de Gortari, PRI presidential candidate, the state leaders, in separate interviews, agreed it is necessary to fight abstention in the next elections.

Carlos Hank Gonzalez, former governor of the State of Mexico and Mayor of Mexico City, thinks that due to the difficult stages the country is going through there is some disappointment in the system in certain sectors of the population. He said: There is uncertainty about the future, but the people know the best government option is in the PRI.

With respect to the Solidarity Pact, signed by the government, businessmen and employees, Hank Gonzalez acknowledged that when there is a crisis the weakest will always be the ones most affected by it.

Governor Mario Ramon Beteta, for his part, said elections are won through efforts. We must not let down our guard, now or ever, and we must not depend solely on the irrefutable fact our party is the majority party. He added it is necessary to make a permanent effort for ideological penetration. He stated his party must campaign extensively to prevent abstentionism in the next elections.

To achieve this, he added, the people must be convinced to go to the election polls to not only comply with their obligation to vote but to exercise their right to vote with the awareness it will be for the election of their leaders.

Correction to New Stock Measures, Changes

The following correction pertains to the item headlined "New Stock Measures, Changes Announced," published in the 15 December Latin America DAILY REPORT, page 7, column 2: paragraph one, line three: ...the Mexican Securities Market [mercado de valores], the National Securities Commission [Comision Nacional de Valores] governing board (substituting "Securities" for "Stock"). All references in this article to the National Stock Commission should read National Securities Commission. paragraph two, line two: ...development of the securities market...(changing "stock" to "securities"). paragraph six, line three: ...the public in brokerages [casas de bolsa] without due authorization. (changing "stock markets" to "brokerages") paragraph eight, line one: ...severe fines to brokerages, investment groups-...(changing "stock markets" to "brokerages") paragraph nine, lines one, six, and seven: change"stock markets" to read "brokerages." paragraph ten, line one: ...importance of the securities market...(changing "stock" to "securities").

Nicaragua

Ortega on Talks, Contra Aid Vote, Offensive

PA230457 Managua Domestic Service in Spanish 0148 GMT 23 Dec 87

[Christmas and New Year's message by President Daniel Ortega to local and foreign reporters at the Press and Information Directorate of the Presidency in Managua—live]

[Text] Good evening, Nicaraguan brothers and people, Brother Tomas Borge, Brother Sergio Ramirez, and fraternal local and foreign reporters. I relay the Christmas and New Year's greeting of the Nicaraguan Government, the FSLN National Directorate, and the Nicaraguan people.

A reporter's task in a situation as complex as Nicaragua's undoubtedly demands great industriousness. The reporter must assess and project Nicaragua's reality with the greatest objectivity, in the hope that a conflict that has afflicted and threatened our people for the past 7 years will be resolved. I see a reporter as a person who is always working for humanity's well-being and who, therefore, is permanently in love with peace. I cannot understand a reporter who adds fuel to the fire and would see men, women, and children die. I can understand a reporter seeking ways to appease the people and ways to contribute, through his information, to making peace reach—in this case—Latin America, Central America, and this country called Nicaragua.

We are commemorating this new year and this Christmas by always working firmly for peace. Today another meeting concluded in the Dominican Republic, which through the initiative of Cardinal Miguel Obando y Bravo, with whom I met a few days [words indistinct]. On that occasion Cardinal Obando y Bravo proposed a meeting of the technical advisers in the Dominican Republic on 21 and 22 December, at which Nicaragua [words indistinct]. While I was still at the archbishopric with Cardinal Obando y Bravo a telephone call was placed to the contras. The cardinal's proposal, not Nicaragua's, was presented to them. The contras' answer was positive.

The U.S. Government representatives [words indistinct] and technical advisers went to the Dominican Republic, as did the Nicaraguan Government, Dr Wischnewski, [name indistinct], and Dr Paul Richler. While there the U.S. representatives received instructions to not meet with the Nicaraguan Government's advisers.

The U.S. Government's stubborn attitude is clear. They must boycott and sabotage this effort. This initiative, this proposal, was made by Cardinal Obando y Bravo and was accepted at first by the contras. It was ignored in Santo Domingo. We believe this is because the U.S. Congress yielded to the U.S. President's pressure and blackmail and approved millions of dollars in new aid to the mercenary forces. I am not speaking of $8.1 million as was reported yesterday, or of [words indistinct] but of $14.4 million. One senator, Barbara Mikulski, said: Our hands will be stained with blood. In effect, the hands of those who voted to approve the funds have been stained with blood. Their hands are as bloody as the U.S. President's hands.

The U.S. Government does not want the Central American peace process to move forward. The U.S. Government does not want the Guatemala agreement to be complied with. One of the conditions that the Congress set for President Reagan to be granted his request for fresh funds in February for the mercenary forces is that President Reagan must demonstrate, following the presidents' meeting in Costa Rica, that no cease-fire had been agreed upon and that the Nicaraguan Government is to blame for this. Thus, the move becomes very clear. The U.S. President does not want even a minimal accord to be agreed upon, although we had expected an accord to be reached during the Santo Domingo meeting. We say a minimal accord because we know the problem is complex and cannot be settled in one or two meetings.

The U.S. Government instructed its representatives in Santo Domingo to boycott the meeting, ridicule the cardinal's proposal, and ridicule the efforts of those who, with the best intentions, came from Europe and several parts of the United States. [Passage indistinct] They (?made up their minds) in this holiday season to leave their families and to work for peace in Nicaragua. The picture is now complete.

On the day prior to the meeting the U.S. Government launched the mercenary forces in a terrorist attack against the mining towns of Bonanza, Siuna, and Rosita in the northern area of the country to try to create the impression that this was a large force, to try to seize the towns and thus to persuade the U.S. Congress into approving the financing it was then discussing. The mercenaries used the surface-to-air missiles, which the U.S. Government boldly delivered to the mercenaries, against a Nicaraguan civilian cargo plane. The plane was hit, but the crew managed to land the aircraft on Costa Rican grassland, thanks to the crew's experience and heroism.

That is to say, there was a coincidence in the peace effort, which summoned various people [words indistinct] to hamper the peace process. There was the coincidence in organizing the terrorist action, the attack on the cooperatives, the mines, the cargo plane. There is the coincidence between the moment when it was learned that the U.S. Government (?approved) fresh funds and the Santo Domingo meeting for a cease-fire agreement. However, the United States is doing everything possible to prevent a cease-fire agreement.

Meanwhile, the mercenaries attacked the Nicaraguan people. The mercenaries (?attacked) our civilian aircraft. The United States urged its hired hands in the Dominican Republic to refuse to make good on the agreement

with Cardinal Obando y Bravo to meet with our representatives in that country [words indistinct] invite the Nicaraguan Government so progress could be made in the direction of a cease-fire agreement.

It is very clear, then [words indistinct] the representatives we have invited cannot be described as terrorists or radicals because they have negotiated in Central America for the release of President Duarte's daughter and have always made efforts for a peaceful resolution of the Central American conflict. Yet the (?United States) has refused to talk with them. Nobody can deny that what we have here is the hand of the U.S. Government trying to boycott this peace effort.

When they carried out the attack on Bonanza, U.S. propaganda immediately inflated the situation. They immediately released balloons, and the local media that identifies itself with the U.S. Government's terrorist policy immediately seized the balloons and began flying with them. But balloons are very fragile, and it takes only a needle to make them explode. This very day national and foreign newsmen are learning that Reagan's mercenaries never seized any of the towns.

They said yesterday that the mercenaries had occupied the town of Rosita, that fighting was going on in Bonanza. And there was fighting in Bonanza because the local people there were defending the land from the mercenaries to prevent them from occupying the town; and the mercenaries did not occupy the town. They occupied neither Bonanza, nor Rosita, nor Siuna. What they are occupying is Honduran territory to launch those attacks against Nicaragua. What they have occupied are mansions in Miami, in Costa Rica, in Honduras—where members of the contra facade leadership reside. This is what they have occupied. What they are occupying is the minds of those who identify themselves with President Reagan's evil mind and policy of death against Nicaragua. This is what they have occupied. [passage indistinct]

When imperialism decides to shout that Bonanza has been occupied, then some people believe that Bonanza must have been occupied, must have been seized by the mercenaries. Bonanza, Siuna, and Rosita have been occupied since 19 July 1979 by the heart and the combativeness of the Nicaraguan people.

It was not large Army brigades that defeated the mercenaries in Bonanza, Siuna, and Rosita; it was the armed people who took up weapons and confronted the mercenaries, because we did not have a large contingent of troops there. Our defense has always been based and is based on the armed people. This is why we speak of the need to arm all the people as long as there is war and aggression. Now that the United States has approved $14 million for death, who can blame us if we make every effort to ensure that all Nicaraguan people, that 600,000, or 1 million, or 3 million Nicaraguans are ready to defend peace anywhere and to defeat the mercenaries as they were defeated in Bonanza, Siuna, and Rosita?

What have been the initial results of the contras' so-called big offensive in Bonanza, Siuna, and Rosita? What have been the results of the so-called occupation of Bonanza? I do not like to speak this way, but we have no alternative, and, as our fighters say: Already we have counted more than 100 mercenaries killed in combat, and their bodies can be seen. A few hours ago we were informed that there were about 85 dead mercenaries.

There is a very interesting element. More interesting than the mercenaries killed is that at Siuna, while the people were fighting and the people were deployed with all their might and firmness, eight mercenaries decided to surrender, under Red Cross protection, right in the middle of the fighting. These were mercenaries who had been pressed into service, and they found the opportunity to escape. There are mercenaries who, once defeated, have no option other than to seek Red Cross protection to surrender. Two injured mercenaries were captured in Siuna, and one mercenary was captured in Rosita.

The militias are the ones now chasing the contras 7 km from Bonanza—not Army troops or Interior Ministry fighters alone. The latter are just a small part of the force; the main parts of the force are the peasants, the militia, and the workers. These fighters had already inflicted more than five casualties on the mercenaries at a place known as Rosa Grande. Now they are chasing and striking the mercenaries, who are fleeing the area, at another place known as Siempre Viva.

That is why we are speaking of 119 mercenary casualties, of which more than 100 are dead. This is what we have confirmed up to now. We are sure this number will increase.

How many casualties did we suffer? Twenty-four EPS soldiers were killed and 23 injured. Among the civilian population—including women, children, and adults—16 were killed and 75 injured. The mercenaries, repelled by the people, could no longer hold on to their positions, so they started to retreat. In their retreat, trying to cover themselves, they kidnapped civilians—women, children, and adults. They kidnapped everyone they came across, to cowardly flee using the civilians as shields. Eight people were kidnapped, although they were later released.

In these clashes fought by the people of Bonanza, Siuna, and Rosita we can recognize the people's heroism and the firmness with which the population fought. This is because these are inhabitants aware that this is a revolution and they are convinced of what they are defending. They had the opportunity to aim the rifles they had in their hands at our Army's soldiers, but the miners of Bonanza, Siura, and Rosita and the peasants of the nearby cooperatives immediately rushed to reinforce the EPS positions. The women and children who fought hand to hand against the mercenaries—even the children

fought—express what it is: that spirit and dignity of the Nicaraguan people, willing to defend the fatherland even at the risk of their own lives.

We are meeting with you newsmen at the conclusion of this year, 1987. It has been a year filled with pain and heroism for our nation. We are in a Christian country on the eve of Christ's birth. (?According to the scriptures) Christ was born poor and humble, and because of this he was another sacrificial victim of injustice and lies by the empire that (?ended) his life. However, he managed to live on after his death. Likewise, the Nicaraguans who live in a humble spot in our America, in the center of our America, gave birth to this revolution on 19 July 1979. This nation is convinced that this just cause—despite pain, death, and the empire's attacks—will live on, that it will survive the thousands of deaths that have been adding up during these years, and that the day will come when peace will be a reality in Nicaragua.

I again greet you newsmen who work in Nicaragua—foreign newsmen who work in Nicaragua and local newsmen who work in different areas of our country—and urge you to continue working and to continue [words indistinct] contributing to making peace a reality in Nicaragua. Thank you.

Reportage on Results of Contra Offensive

EPS Controls Towns

PA222202 Managua BARRICADA in Spanish 22 Dec 87 p 1

[Text] The EPS has already overcome the pro-U.S. counterrevolution's aggressive and propagandistic actions at the north Atlantic gold mines and has regained control of the towns of Rosita, Siuna, and Bonanza, Subcommander Jose Gonzalez, FSLN regional political leader, announced yesterday in Puerto Cabezas.

In Bonanza, the subcommander added, the counterrevolutionary groups occupied positions on several nearby hills and then attempted to enter the town, "but they were ultimately decimated and forced to flee after bloody clashes in the Salto Grande and Siempre Viva neighborhoods and at the stadium, the landing strip, and other sites," Gonzalez added.

Gonzalez emphasized that the residents' decisive response thwarted this new propagandistic escalation by the contras. "Reservists came out of their houses with rifles; women, merchants, peasants, and laborers fought arm in arm with the EPS to overwhelmingly defeat the invading forces," Gonzalez told ANN.

In Siuna—according to official EPS reports—the contras destroyed an oil reserve and state warehouses. They also inflicted 10 casualties on the people's defenders and wounded 53 civilians by indiscriminately firing mortars. In Siuna they left four of their casualties behind, dragging others along with them; nevertheless—the reports add—in Rosita the attack cost the contras 20 deaths.

The attacking mercenary forces numbered no more than 1,000 troops, even though the mercenary hierarchy and its authorized spokesmen in Managua insisted that 7,000 troops participated in order "to be able to hold a dialogue with the Sandinists from a position of strength." During his speech yesterday at the National Assembly President Daniel Ortega emphasized the heroism of Las Minas' residents, and he referred to the considerable number of civilians wounded by the contras. While Ortega spoke at the Assembly shots could still be heard in the vicinity of Bonanza, and the EPS was still pursuing the fugitive contras into the depths of the mountains.

Cost 'Grievous, Deplorable'

PA230215 Managua EL NUEVO DIARIO in Spanish 22 Dec 87 p 8

[Text] Puerto Cabezas, Nicaragua (ANN)—The EPS is maintaining control of the mining towns of Siuna, Bonanza, and Rosita, located on the Atlantic seaboard, after bloody clashes with counterrevolutionary forces, which have been attempting to seize these areas.

Subcommander Jose Gonzalez, FSLN regional coordinator for the north Atlantic area, also confirmed that the fighting spirit and heroism of the coastal citizens and the Sandinist Air Force played an important role in this new defeat of the counterrevolutionary forces.

Gonzalez told ANN that there is a large number of dead and wounded, mainly civilians, on every battlefield as a result of the contra mortar and rifle fire attack early in the morning. The exact number of casualties, however, has not been determined because of communications problems.

Gonzalez also said that the social and economic cost of the heavy fighting in these areas has been "grievous and deplorable."

The FSLN leader asserted that the contras and the CIA gave instructions to the regional commands operating in the north and central areas of the country to rally in the vicinity of the mining towns. These commands, as a propaganda move, were then to unleash their attacks almost simultaneously to seize those towns.

Gonzalez added: "The CIA planned this action to demonstrate the contras' military prowess and their ability to play an important role in the Reagan administration's plans against Nicaragua, particularly now that the Sandinist government and the contras are indirectly negotiating a cease-fire in Santo Domingo."

Gonzalez recalled that the FDN, whose military operations are directed by former Somozist Colonel Enrique Bermudez, recently made a counterproposal to the Nicaraguan Government regarding a cease-fire agreement. In the counterproposal the contras claimed that they had complete control over the Atlantic region and that the government forces presumably controlled only the Las Minas, Tasba-Pri, and Sumubila zones.

Gonzalez said in Puerto Cabezas that with this action the contras are pretending that they now completely control the Atlantic region in order to establish a provisional, puppet government and to justify U.S. military intervention.

He also emphasized: "Yet this new move has been defeated by the people's heroism, a heroism marked by the sacrifice of many worthy coastal area residents."

According to preliminary reports, more than 60 people, most of them civilians, have been wounded, and more than 30 have been killed in those areas by the indiscriminate mortaring of the surprise attack.

He said that, nevertheless, the people's response was not long in coming. From the village homes came rifle-bearing residents, as well as reservists, women, businessmen, peasants, and workers, all of whom fought side by side with the EPS troops to repel the attacking enemy forces.

He further said that although the Somozist forces succeeded in occupying the hills surrounding the villages, the tactical strength, maneuverability, and the intelligent deployment of the Sandinist troops was far superior to that of "the bloodthirsty beasts at the service of the Reagan administration."

He reported that in Bonanza the contras positioned themselves on several hills and then tried to storm the village, but that they were annihilated in bloody clashes at the Salto Grande and Siempre Viva neighborhoods, the landing strip, the stadium, and the mines.

Finally, Gonzalez said the EPS have been helping the residents who suffered from the attack.

The Defense Ministry has reported that EPS troops and local militia are in full control of the Rosita and Siuna mining towns after heavy clashes with counterrevolutionary forces.

Following a quick, noontime assessment of the situation, it was determined that the contras destroyed a fuel storage tank and a state-owned warehouse at Siuna.

At Siuna four of the mercenaries were killed. The contras wounded 53 civilians and killed 10 EPS and militia members.

At Rosita 20 contras were killed. The local militias and permanent EPS members suffered 13 casualties.

Fighting still continued in Bonanza at noon yesterday, but no specific information is yet available.

EPS' Wheelock Downplays Attack

PA230147 Paris AFP in Spanish 0010 GMT 23 Dec 87

[Text] Santo Domingo, 22 Dec (AFP)—Major Ricardo Wheelock, chief of EPS intelligence, has downplayed the contra attack on three mining centers in northeastern Nicaragua. Wheelock said forces loyal to Managua have the situation under control and are pursuing the attackers. Wheelock was part of the government delegation that went to Santo Domingo for the failed Sandinist-contra dialogue in search of a cease-fire.

Wheelock in particular denied the figures given by the "Nicaraguan Resistance" regarding the number of attackers and of casualties inflicted on the EPS. He stressed the following points:

—The figure of 7,000 contra attackers is "laughable:" There are no more than 500 or 600 men in 4 contra commands.

—The attackers reached the Siuna, La Rosita, and Bonanza mining centers because of their "quite remote" location and because there are no regular EPS units in those areas. The civilian militia is responsible for defending those areas. The civilians carried out a "heroic defense," which explains the high number of wounded civilians.

—In Siuna the self-defense militia regained control of the situation at 1900 on 20 December. Six civilians were killed and 82 wounded, and 12 EPS soldiers and 15 contras were killed.

—In La Rosita control was regained at 1100 on 20 December. Six civilians were killed, 7 EPS soldiers were killed and 3 wounded, and 26 contras were killed and 1 wounded.

—Clashes continued today in the hills around Bonanza.

—The contras destroyed an EPS radar unit. The EPS destroyed its own 7th Military Region's main warehouse, and the rebels only captured two SAM-7 rockets.

—The contras also attacked the town's hospitals.

—The EPS artillery in the area remained intact, and it is not true the contras downed a helicopter.

In conclusion, Wheelock reiterated Managua's statement that civil aviation in Central America is in danger because the contras fired from Costa Rican territory at a Nicaraguan commercial cargo plane with SAM-7 missiles.

RN Leader: Attack 'Successful'

PA221732 Paris AFP in Spanish 1644 GMT 22 Dec 87

[Excerpt] [Passage omitted] Contra military chief Enrique Bermudez described his troops' attack on Siuna, Bonanza, and La Rosita as "successful."

In statements to Radio Liberacion, official radio station of the Nicaraguan Resistance (RN), Bermudez said the EPS suffered 100 deaths and lost 1,000 AK rifles. He also said that "two bridges that linked La Rosita with Puerto Cabezas" were destroyed.

According to Bermudez, in their counterattack the Sandinists used Soviet-made Antonov planes to bomb towns located near the mines.

Those reports were neither denied nor confirmed by the Nicaraguan Defense Ministry, which promised a new communique on the current situation at the mines today.

Bermudez: 'Greatest Victory'

PA230330 Buenos Aires REUTER in Spanish 2300 GMT 22 Dec 87

[By Alister Doyle]

[Text] From the Honduran-Nicaraguan border, 22 Dec (REUTER)—The contra military commander today said that an attack on three Nicaraguan villages was the greatest victory ever attained by the rebels, but he added that a cut in U.S. aid would make such operations impossible in the future. In statements to REUTER from a densely tropical mountain refuge, Commander Enrique Bermudez said that he did not believe that the contra success in attacking the three mining villages in northern Nicaragua would improve the meager chances of the U.S. Congress voting for more aid.

Bermudez criticized the inconsistency of U.S. support for the contras, and he ruled out as a "fantasy" any hope that the Sandinists would abide by the negotiated Central American peace plan.

Providing the first detailed account of Sunday's contra attack, Bermudez said that he had ordered the troops surrounding the villages of Siuna, Bonanza, and Rosita to fall back.

"We met all goals. I ordered the troops to fall back," he said. "We have no interest in holding on to territory and paying a high cost in lives."

Bermudez, a colonel under former President Anastasio Somoza Debayle, said that more than 7,000 troops took part in the attack, which was the greatest victory in the 6-year war.

However, President Daniel Ortega said yesterday that the Sandinists were chasing the contras toward Honduras, where the rebels have bases.

The Sandinists say that there were only 3,000 contras and that they [the Sandinists] have been in control of the villages since yesterday afternoon.

Bermudez said that the contras were planning other important attacks, but they had to return to a hit-and-run style just in case the U.S. Congress does not approve an important rebel aid package.

"Regrettably, I do not believe that this attack will change the poor outlook for obtaining aid....the congressional vote is already determined."

The contras received $100 million in aid to last them until September, but Congress objects to granting additional, important contra aid. Congress agreed on $8.1 million in nonlethal aid.

Bermudez said that about 4,400 contras attacked the three areas on Sunday, and that nearly 3,000 created diversionary maneuvers or laid ambushes elsewhere. He said that the contras held on to both Siura and Bonanza for 1 day, but that they did not capture Rosita.

A rebel statement issued today claimed that 260 Sandinists were killed or injured during the attacks. Rebel casualties were not disclosed.

"We struck hard....we have fooled all their intelligence services....they have one of the best [intelligence services] in Central America, involving Cubans, Soviets, and East Germans," Bermudez said.

He added that the attack had been planned 2 months ago and that the instructional maps had been dropped by parachute to 11 field commanders.

Bermudez criticized the United States' inconsistent support, stating that the rebels are the front line against communism in Central America.

"In what (communist) country do the people have the guts to stand up against the repressive system?" he asked. The Sandinists overthrew Somoza in 1979.

Bermudez said that the main targets of Sunday's attack included a radar system in Siuna used to monitor contra supply flights, and a generator in Bonanza used for mines the region, airstrips, barracks, and weapon depots. All were destroyed or captured, he said.

He said that the contras attacked the three villages mainly because of the radar system. The remote region is also a gold and silver mining center—a source of foreign exchange for the Sandinists.

The area only has two access roads, and the Sandinists had to send reinforcements by helicopter and on foot, following intensive bombings by government planes, Bermudez said.

He added that the remote area would be an ideal site at which to try to capture territory in the event that the contras become stronger.

Contras Claim Siuna Victory

PA222200 Paris AFP in Spanish 2033 GMT 22 Dec 87

[Text] San Jose, 22 Dec (AFP)—The Nicaraguan Resistance (RN) today reported that its forces "attacked and destroyed" the Sandinist police barracks in Siuna and destroyed the EPS 366th Brigade's facilities and radio equipment in that same village. The rebels' report, however, does not mention the number of government troop casualties in Siuna or assess the damage caused or the number of casualties inflicted on their enemies at La Rosita and Bonanza. The RN attacked those latter two villages, 250 km northeast from Managua, as well as Siuna on Sunday.

The RN communique says the attack on Siuna was launched by the Jorge Salazar Command's Chontales Task Force. The report states that at this village the guerrillas destroyed several state-owned warehouses containing mining equipment and the offices of international groups that advise the Managua government in various fields.

The communique also reports the "total destruction" of three EPS radar sites and seven "Trac" trucks that supplied them with energy. In addition, the RN report gave a long list of weapons and military supplies taken from the Sandinist troops. The most important of these weapons are 22 SAM-7 missiles, 12 RPG-7 grenade launchers, 153 machineguns of various types, 600 AK-47 rifles, 185 M-16 rifles, and hundreds of thousands of rounds of ammunition.

The contras declared that "the capture or destruction of all of this materiel shows the level of efficiency and coordination" of their troops. At the same time, they said, this shows "the Sandinist troops' lack of morale."

In addition, another official RN communique reiterated that the Aeronica DC-6 cargo plane shot down over the Costa Rican border on Monday was hit by a SAM-7 missile fired by the Sandinists. The contras' communique, signed by Colonel Bermudez, pointed out that if the plane had been hit by a Redeye missile like those used by the rebels "the aircraft would have been not merely damaged but completely destroyed on impact."

The note added that the Sandinist troops probably mistook the Aeronica DC-6 for one of the same type used by the rebels.

Minister Says Plane Attacked From Costa Rica

PA221941 Managua Radio Catolica in Spanish 1842 GMT 22 Dec 87

[Text] Transportation Minister William Ramirez summoned representatives of airlines operating in Managua to a meeting at 1000 today.

Minister Ramirez has been saying since yesterday that the Aeronica plane, which had to make an emergency landing in Costa Rica after it was attacked in Nicaragua, was actually attacked from Costa Rica. He briefed the airline representatives on the incident.

The plane's pilot Manrique Hidalgo has contradicted Ramirez' version that the plane was attacked from Costa Rica. Hidalgo said that the plane was hit while flying over Nicaraguan territory.

Meanwhile, a communique issued last night by the [Nicaraguan] Resistance categorically denied responsibility for the attack.

Contras Break Off Santo Domingo Talks

PA221344 Madrid EFE in Spanish 0535 GMT 22 Dec 87

[Text] Santo Domingo, 22 Dec (EFE)—The talks between the Sandinist Government and the Nicaraguan Resistance [RN] broke down early this morning when the contras refused to hold direct negotiations with the Managua military advisers unless a Sandinist representative was present.

This was reported at 0014 (0414 GMT) by Jaime Morales Carazo, head of the RN delegation, while leaving the Santo Domingo archbishop's office with the rest of his delegation.

The Nicaraguan Government advisers, who were at the archbishop's office to start the "face-to-face" dialogue with the RN, were the German Hans-Juergen Wischnewski and U.S. attorneys Paul Richler and David Widman.

Morales Carazo said the RN has not refused to speak to the advisers, "because both sides have the right to chose their advisers."

"We are opposed to speaking only with foreign advisers because this is a Nicaraguan problem that must be resolved by Nicaraguans," Morales said.

Morales added: "So we proposed to meet with the foreign advisers if they were accompanied by a Nicaraguan Government representative, but the Sandinists flatly rejected this proposal."

Orales added that the contra delegation had suggested the presence of Vice Foreign Minister Victor Hugo Tinoco or Danilo Valle, Nicaraguan ambassador to the Dominican Republic.

"Apparently they consulted with their government, which totally rejected the suggestion. This is the third time we have come to the Dominican Republic, and the Sandinists' intransigence has become evident," Morales said.

Morales added that the RN is surprised to see that the Sandinist government, with thousands of armed men and thousands of advisers, "does not have Nicaraguan advisers so they have to resort to foreign advisers to resolve Nicaraguan problems."

Morales Carazo said the contra delegation will remain in Santo Domingo today waiting for the Sandinists to reconsider their intransigent position.

Government Envoy on Talks

PA221512 Madrid EFE in Spanish 1420 GMT 22 Dec 87

[Excerpts] Santo Domingo, 22 Dec (EFE)—The Nicaraguan Government representatives are expecting a call from Cardinal Miguel Obando y Bravo this morning to resume cease-fire talks, which were suspended today.

Geronimo Danilo Valle Martinez, the Nicaraguan ambassador in Santo Domingo, told EFE that the talks that began last night at the Santo Domingo archbishop's office have not been suspended and that the Nicaraguan representatives are waiting for a call from Cardinal Obando y Bravo in order to return to the bargaining table today.

Valle reiterated, as has been stated from the beginning, that the face-to-face dialogue will be among the advisers from both sides. "That was the decision, and we respect it; none of us will sit down with the insurgents."

However, at 0130 today (0530 GMT), while leaving the archbishop's office, Obando y Bravo said: "I hope that after sleeping on it the parties involved will change their minds and sit down again to resume the cease-fire talks." [passage omitted]

This morning Valle Martinez confirmed to EFE that his government's position remains the same and that the government delegation will not sit with the representatives of the "contra" movement.

Valle added that when the counterrevolutionaries arrived in Santo Domingo they were aware that the "military discussion for a cease-fire would only be among the technical advisers."

If both parties continue in their positions—in other words, if one side refuses to talk with "third-class" representatives "of the U.S. Government," as Tinoco has described the "contra" group; and the other side continues saying they will not hold any talks unless Tinoco and Valle Martinez sit at the negotiations table, as Morales Carazo has said—the situation will remain unchanged.

Cardinal Obando y Bravo said he will return to Managua this afternoon no matter what, and the Sandinists made the same statement; according to them, without the presence of Cardinal Obando y Bravo in Santo Domingo "there is nothing for us to do there."

Morales Carazo said they went to Santo Domingo to talk, and they will wait as long as necessary.

Msgr Obando y Bravo said both parties promised to respect the 24-25 December cease-fire. President Ortega decreed the cease-fire, stating that during those days weapons will be used only to repel an armed "contra" attack if one is carried out.

During the talks, in addition to requesting general amnesty for political crimes, full press freedom, and the elimination of the state of emergency, the "contra" movement also requested that the government grant it control over 68,500 square km of the 147,950 square km of national territory.

However, the government proposed that the "counterrevolution" concentrate their men in a 10,000-square-km area, lay down weapons to join the amnesty process, and achieve its right to participate in the political struggle for power.

Tinoco said that in addition to those conditions, the "contra" movement must agree to end warmongering activities from neighboring countries, end the aid it receives from the United States, and accept a cease-fire.

Talks End Without Agreement

PA221718 Managua Radio Sandino in Spanish 1643 GMT 22 Dec 87

[Text] Santo Domingo, Dominican Republic—Nicaraguan Vice Foreign Minister Victor Hugo Tinoco, head of the official delegation, has admitted that negotiations to achieve a cease-fire ended today without an agreement.

Government representatives were expected to participate in a protocol meeting with mediator Cardinal Miguel Obando y Bravo at noon local time and leave Santo Domingo after the cardinal leaves in the early afternoon.

The two sides maintained their positions until dawn today. The contras demanded the presence of a government representative at the negotiating table in addition

to the presence of the government's foreign representatives. The Nicaraguan Government delegation rejected that demand, arguing that the contras violated an agreement previously reached with the cardinal to negotiate with its representatives.

Tinoco said the Nicaraguan Government proposed a new round of negotiations to establish a cease-fire on 7-10 January.

Foreign Ministry Raps Contra Aid Vote
PA222145 Managua Radio Sandino in Spanish 1930 GMT 22 Dec 87

[Communique issued by the Foreign Ministry in Managua on 22 December]

[Text] In view of the U.S. Government's new approval of funds for the contra mercenaries, the Nicaraguan Foreign Ministry concludes the following:

The Reagan administration's foreign policy has been characterized by absolute contempt and disrespect for the legal norms established for the harmonious coexistence of sovereign states.

The systematic use of lies and blackmail to deceive and to exert pressure on its own Congress and to confuse its own people is an unmistakable trait of Reagan's democracy, which also uses force illegally and resorts to international terrorism because of its obsession to prevent the exercise of the right to self-determination that small countries such as Nicaragua have.

The world recently has had confirmation of how Mr Reagan's pathological obsession with his contra mercenaries has led him to put his procurement of new funds before any other consideration for the nation's interest.

Despite the valiant struggle carried out by many congressmen, the world has again witnessed how a president, on the verge of irrationality because of his struggle against nonexistent specters, has been able to secure bipartisan support to continue disobeying an International Court of Justice ruling. In doing this, the United States violates the most fundamental moral and legal principles.

After all the explanations given to justify the approval of new funds for the contras, the fact is that Mr Reagan has secured authorization to continue murdering, to continue his role as executioner of the Central American people—and of the Nicaraguan people in particular—to continue using neighboring countries' territory as bases of aggression against Nicaragua, and to continue torpedoing the Central American peace process known as Esquipulas II.

Defying the most elemental logic, the phoney representatives of democracy claim they are interested in a cease-fire agreement; yet they approve sending arms to be used to fire on women, children, and the elderly, and to destroy the cooperatives of humble peasants.

The Nicaraguan Government most strongly condemns this cowardly and illegal behavior on the part of the U.S. Government and reserves for itself the right to use all the means and to adopt all the measures it deems necessary in the exercise of Nicaragua's sovereign right to defend the fatherland in the face of this new abuse by the Reagan administration.

Ramirez Views Cease-Fire, National Dialogue
PA212320 Managua Radio Sandino in Spanish 2209 GMT 18 Dec 87

[By Luis Aleman]

[Text] Nicaraguan Vice President Sergio Ramirez Mercado regards as positive the contras' position of accepting the cease-fire decree recently announced by Nicaraguan President Daniel Ortega Saavedra.

We must now wait and see whether they are sincere or not, in hopes that they will respect the agreement, Ramirez Mercado said in closing an awards ceremony for vanguard workers of the National House of Support for the Combatant [Casa Nacional de Apoyo al Combatiente] and of its regional offices throughout the country. We will now hear Vice President Ramirez Mercado:

[Begin recording] [Ramirez] Well, we believe that it was a sensible action to accept this initiative that [2-second break in reception] it is a tribute to the Nicaraguan people's Christian spirit on a date considered [words indistinct] by the Nicaraguan people. We hope this [the contras' acceptance of the truce] is not a false but instead a true position and that the truce will be respected. The EPS troops have been or will be instructed to strictly respect the truce and to only defend themselves in the event of an attack.

[Question indistinct]

[Ramirez] There are various opinions [words indistinct]. We—the revolutionary government and the president of the Republic—must seek solutions for the various problems affecting us. In general, we must say that there is no [words indistinct] formula to resolve the economic crisis. The formula is peace [words indistinct] enough space to work for the country's reconstruction. It is impossible to resolve our problems if the war, destruction, aggression, and the blockade continue. There are no [words indistinct] solutions. We must face those problems with a sense of responsibility, seeking solutions and maintaining the initiative. However, no one should expect magic formulas to resolve the problems caused by foreign attacks and not [words indistinct]. If it were in our hands, this war would have ended already, and that is

why we are seeking peace. This is not a monetary problem (?either). There are no monetary solutions. This is a [words indistinct] problem (?related to) the aggression and war, and therefore the economic problem [words indistinct].

[Reporter] [Words indistinct] the status of the negotiations in Santo Domingo to agree on a cease-fire for the upcoming weeks and...

[Ramirez, interrupting] We believe it would be beneficial. As usual, we are supporting Cardinal Obando y Bravo's efforts. The president has already visited him in support of his efforts. We hope that during this round of talks Cardinal Obando y Bravo will find flexibility on the part of the leaders representing Reagan in Santo Domingo.

[Reporter] What do you think of the F-5's Honduras recently received?

[Ramirez] Well, that does not contribute at all to the hopes of bringing peace to Central America. It is an arrogant, warmongering, and aggressive action. We can only interpret it as a [words indistinct] of the Reagan administration to worsen the war.

[Reporter] Yesterday the political parties practically complained to Cardinal Obando y Bravo about the FSLN's position on the dialogue. What are your comments on this?

[Ramirez] Well, I think that there is an opening for the political parties in the national dialogue. We do not believe the dialogue has broken off. The problem is that the dialogue cannot work on the basis of ultimatums. No one can declare an ultimatum on the national dialogue, because that would mean it was a political dialogue, and it would mean putting an end to the dialogue. We believe this dialogue will be resumed in due time after overcoming the current impasse. The dialogue is a process that has not ended and that will have to [words indistinct] at a given time. [end recording]

Carlos Nunez Examines Political 'Impasse'

PA220455 Managua Radio Sandino in Spanish 1930 GMT 21 Dec 87

[Speech by National Assembly President Commander Carlos Nunez at the closing ceremony of the National Assembly in Managua on 21 December—recorded]

[Text] [Words indistinct] a recent decision to approve $8.3 million in, quote, non-lethal aid, unquote. That is why we [words indistinct] about simultaneous compliance with the agreements; in other words, about continued compliance with the agreements. That is why we have decided to do our part without relaxing our vigilance, seeking peace while being always prepared for a war that we have never wanted and that we want to stop as soon as possible—peace for this people who know the horrors of war, peace for this people, one that does not harm the people's dignity.

The revolutionary government has taken the steps known to all of you; these include the appointment of the National Reconciliation Commission, the reopening of the newspaper LA PRENSA and Radio Catolica, and the call for a national dialogue, to name only a few. In addition, the Nicaraguan Government is looking for a cease-fire agreement through the mediation of His Eminence Cardinal Miguel Obando y Bravo.

Before addressing legislative aspects, I would like to address the issue of the national dialogue, which I preside over as representative of the president of the Republic.

If the patriotic interest and concern over the country's fate are genuine, then we cannot lose hope that the national dialogue will be renewed—either with all parties or only with those that, putting aside political intransigence and looking solely at the country's interests, will sit down with us to discuss peace, reconciliation, and the future of Nicaragua, without threats or blackmail on either side.

We feel that the impasse—we prefer to use that term—in the national dialogue, which results from their position on the proposed constitutional amendments, was intentionally provoked by some of the parties. Those parties wanted to make a show of force, which they in fact did not have, by submitting unilateral proposals that were not exactly the most civic ones. On the other hand, some of the parties represented in the National Assembly supported those positions without first determining their origins.

At any rate, even assuming that they all acted in good faith, it seems to us that it is a mistake to try to amend the Constitution. The 17 points contained in the 30 November letter [sent by the opposition parties] and the three proposals submitted by the Marxist Leninist People's Action Movement demand the amendment of the Constitution as a precondition for an alleged democratization. This is a mistake, because one cannot assume that amending the Constitution will resolve all the country's problems.

If we want to democratize the country we must start with a constitution and take a constructive position. The problem with openness does not lie in this position. The problem lies in the fact that the state of emergency has limited the full exercise of constitutional rights and guarantees. The solution is then to find an end to the war so the state of emergency can be lifted and everyone can fully enjoy their constitutional guarantees. Our efforts, therefore, must be geared toward attaining peace. [Words indistinct] by means of aggression has been the cause of the current state of emergency.

Opposition Blames Government for 'Stalemate'
PA181356 Managua Radio Catolica in Spanish 1800 GMT 17 Dec 87

["Text of letter delivered this morning" to Cardinal Miguel Obando y Bravo by the opposition political parties participating in the national dialogue]

[Text] The undersigned, representatives of 14 political organizations participating in the national dialogue, states the following:

Since the national dialogue began, and all the unarmed domestic opposition groups took part in it, we have conducted joint efforts so this dialogue may yield the peace and reconciliation that the Nicaraguan people require. The Nicaraguan Government has not responded to this effort. By adopting an intransigent stance the Nicaraguan Government has refused to agree on the approval of the constitutional amendments that the opposition has proposed. These amendments are necessary for democratization.

This situation brought the national dialogue to an indefinite stalemate. Moreover, this could definitively paralyze this political forum. The Sandinist government is solely to blame for this.

In addition, government and FSLN leaders have unleashed a campaign of threats. This campaign can be seen in specific incidents that, as already happened, may even result in physical attacks and other sorts of inexcusable abuses.

Since you are the president of the National Reconciliation Commission, we report these incidents to you. We ask Your Eminence to forward our views to the International Verification and Follow-Up Commission so our charges will be registered there too. We are enclosing the appropriate documents.

[Signed] The Nicaraguan Conservative Party, Nicaraguan Socialist Party, Social Christian Party, Popular Social Christian Party, Social Democratic Party, Liberal Party, (?PUCA) [Central American Unionist Party], Liberal Communist Party of Nicaragua [as heard], (Movement of Unity and Democratization), Conservative Party, Constitutionalist Liberal Party, Independent Liberal Party, Democratic Conservative Party of Nicaragua [13 parties as heard]

Opposition Parties Hold March, Call for Unity
PA231404 Managua Radio Catolica in Spanish 1800 GMT 22 Dec 87

[Text] The march has just ended that was held this morning by the representatives of the 14 opposition parties to protest the government's refusal to discuss the constitutional amendments they have proposed as the only way to achieve national reconciliation.

Allan Zambrana, former presidential candidate of the Communist Party of Nicaragua [PCdeN], was tasked with delivering the closing speech of the march, which ended in front of the PCdeN headquarters. Listen to Zambrana's closing remarks:

[Begin recording] At the end of 1987 Nicaragua's civilian opposition parties, which represent all of our country's democratic, patriotic, and revolutionary forces, have met the expectations of our suffering people, who are demanding democracy, peace, and freedom for Nicaragua. A most beautiful achievement in this march has been the decision by the leaders of these 14 political parties and groups to gather together, to unite to defeat the terror that the Ortega brothers are trying to impose. [applause]

For this reason, we, the Nicaraguan Communists, are immensely pleased with our consistent attitude and contribution. We have contributed our experience, consistency, and policy of unity of action to enable all those represented here to overcome our differences and natural disagreements, to place our homeland's interests above everything else, to save our people from the blazing inferno of war, to establish democracy in our country, and to demand, together, full compliance with the Esquipulas II (?agreement).

Yes to the unity of Nicaragua's democratic, patriotic, and revolutionary forces! [crowd says: "Viva"; applause] [end recording].

Ortega Names Sandinists to Supreme Court
PA221838 Managua LA PRENSA in Spanish 17 Dec 87 pp 1, 8

[Text] The nine justices selected by President Daniel Ortega are taking on a great responsibility before the Nicaraguan people and must demonstrate that the Agricultural Development and Agrarian Reform Ministry will comply with the decisions pronounced by the Supreme Court, several well-known lawyers said.

The list of candidates presented by President Ortega was composed of active members of his party and did not include anyone from the true opposition. Its approval thereby ended the political pluralism among the members of the Supreme Court.

From now on the country will not only have a Sandinist Army, police, and Air Force, but also a Sandinist Supreme Court, which makes people wonder whether there will be impartiality and justice in the future.

According to lawyers Agapito Fernandez, Luis Andera Ubeda, Roger Guevara, and Enrique Sotelo Borgen, most of the new justices are newcomers, but it is known that they are active members of the FSLN.

A former conservative, Dr Rafael Chamorro Mora, has been considered an excellent university professor; Dr Alba Luiz Ramos is Subcommander Ramos' sister; Dr Ernesto Somarriba is a former Marxist professor; and Dr Alejandro Serrano Caldera is a distinguished writer.

The rest of those selected by President Ortega are unknown among lawyers, and their records as active lawyers in the country's courts are also unknown.

If the new justices force Jaime Wheelock Roman, the agricultural development and agrarian reform minister, to comply with the law, then they will be doing their job, the interviewed lawyers said.

However, since they belong to the FSLN, the new justices must comply with the policies of the FSLN; therefore, not much may be expected from them, the interviewed lawyers said.

PSN Protests

PA192204 Managua Radio Noticias in Spanish 1200 GMT 17 Dec 87

[Report on interview with Nicaraguan Socialist Party (PSN) leader Luis Sanchez Sancho by unidentified reporter on 17 December; place not given]

[Text] When the names on the lists for three candidates for Supreme Court of Justice magistrates were announced at the Assembly last night, the entire opposition bloc stood up and left in protest. According to politicians and lawyers, the Supreme Court of Justice will face a credibility crisis after the resignation of opposition magistrates Dr Rodolfo Robelo, Dr Santiago Rivas, and Dr Hernando Zuniga Montenegro.

On behalf of the opposition, Socialist leader Luis Sanchez argued against the formation of a Supreme Court comprised only of Sandinists.

This morning we interviewed Luis Sanchez. In the interview he explained why socialists are now straightforward opponents of the Sandinists after having been their allies. Sanchez said: We are now part of the opposition because the Sandinists increased their authoritarian tendencies. The Nicaraguan Socialist Party [PSN] was considered to be the FSLN's closest ally. Luis Sanchez Sancho explains this morning why socialists are no longer FSLN allies. Let us listen to Luis Sanchez Sancho:

[Begin recording] [Sanchez] We regret the situation and we officially said so to the nation yesterday. We said that, after all, the effects in Nicaragua of the Esquipulas II agreements have been the opposite of what had been expected by those who devised the agreements and who signed them in Guatemala on 7 August. In other words, in Nicaragua, instead of a democratic opening, we have in fact a larger closing of the precarious political opening existing in Nicaragua.

Instead of a democratic reform of the Constitution and the judicial branch to open possibilities to effectively fulfill the Esquipulas agreements and to advance toward peace through the democratization process, what we are doing is strengthening excessive authoritarianism. This authoritarian process has reached the extreme of transforming the judicial branch—the credibility of which had been somewhat accepted by the people thanks to the presence of opposition magistrates within it. Those magistrates have been forced to resign because of the persistent disrespect not only shown by one commander, but by the entire executive branch with regard to judicial branch decisions and sentences. So we end up with a new Supreme Court of Justice that is no longer a court of justice, but a Sandinist court.

That is a very serious blow to my understanding of and to general expectations about democratization and a de jure state that would respect a truly fair system in our country. We therefore decided to withdraw from the National Assembly once the proposal [words indistinct] presented by the Nicaraguan president concerning the formation of the new Supreme Court of Justice was announced. The proposal does not include a single person who is not an FSLN member.

We do not have any personal objections to any of the distinguished people who are named in the presidential proposal; we are not dealing with any personal problem here. We are dealing with an important violation of one of the basic principles of the Nicaraguan state, which is established in Article No 5 of the Constitution. That article establishes, guarantees, and mandates a pluralistic and participatory composition of the nation's political bodies.

Thus, I would say that there was nothing else for us to do there [in the National Assembly]. We believe that justice was trampled on at the National Assembly last night; justice was murdered. As we already said upon our withdrawal: We cannot let the blood of justice be on our hands. Justice was finished off with the creation of a Supreme Court of Justice that is absolutely dependent on the party and the government, because it is an absolutely Sandinist court.

[Reporter] Mr Luis Sanchez, do you think that [words indistinct] Socialists are the closest allies of the FSLN? It has always been considered that the PSN is the party with the most similar positions to those of the FSLN. However, now we find the PSN in truly straightforward opposition to the government. What has happened inside the PSN? What has happened to the PSN positions and definitions?

[Sanchez] Of course the PSN has not changed. What has increased is the authoritarian tendency of the Sandinist government. We have been considered as the closest party—as you say—to the Sandinist regime or the FSLN, simply because we are also revolutionary. However, we

believe that revolution and socialism must go hand in hand with democracy, the realm of public freedoms, respect for laws and systems, and [words indistinct].

Therefore, insofar as the Sandinist regime increasingly separates itself from the revolutionary plan—which was authentically democratic, participatory, and decentralized—and reasserts its imminently bureaucratic tendency toward absolute power centralization and its determination to destroy the last vestiges of independence of the judicial branch, which existed until yesterday, we must necessarily place ourselves further from it.

To mention another instance related to what I am saying, I want to say that we did not support the Esquipulas agreements for practical reasons, as the government evidently did. [Words indistinct] how it can gain time and get out of the trap in which it is caught through [words indistinct]. For us the Esquipulas agreements truly represent a possibility of attaining peace and ending foreign intervention in Nicaragua's internal affairs through an authentic democratization process.

So, if this situation places the particular political model of an individual party in jeopardy, so be it, because what is important is the interests of the whole people, of the entire nation, of the entire country. We cannot in any way agree with the notion that the views or the interests of a party—or, worse yet, of the party leadership—must prevail over the interests of the nation. Therefore, this situation, this pacifist maneuvering, this scheming that [words indistinct] to the national dialogue, to all of the Esquipulas agreements, [words indistinct] the things that happened yesterday at the National Assembly, where absolute power was transferred to Commander Ortega. (?To me, all this) represents very serious and painful experiences [words indistinct] like the most recent ones in Burkina Faso, in socialist Yemen, or in Grenada, just to mention the most recent ones. It was precisely this excessive concentration of power, this bureaucratism—as forms of domination—that led to the division among revolutionaries. (?Our position is not) to the right. It is a socialist, revolutionary but democratic and [words indistinct] the Sandinist government and the ruling party correct this course, which is mistaken, in our opinion.

At any rate, we are logically going to [words indistinct] in this struggle. We are going to take maximum advantage of the room we have carved for ourselves, like the one at the National Assembly on the basis of great efforts, because we believe that all has not been lost in our country, and that as long as Esquipulas II [words indistinct] there will be a possibility of making amends and giving our people at least a hope of finding just and democratic solutions to the tremendous crisis we are currently experiencing and to meet the need for democratization to achieve peace in Nicaragua and in the entire Central American region. [end recording]

Opposition Leader on Spanish Role, Situation

PM181551 Madrid ABC in Spanish 2 Dec 87 pp 25-26

[Interview with Democratic Coordinating Board Secretary Roger Guevara by Gonzalo Lopez Alba in Managua; date not given]

[Excerpt] [Passage omitted] [Lopez] What is your opinion of the policy pursued by the Spanish Government with respect to Nicaragua?

[Guevara] We identify with the Spanish people as part of the historical community and have great respect for the throne. However, we do not clearly understand the stance of the Spanish Socialist Workers Party [PSOE] in the government. We share with the Spanish people the struggle which they waged against the dictatorship, we believe in the values which the Spanish people held in order to emerge from the dictatorship, but we do not understand why, as the Nicaraguan church says, governments of peoples speaking Spanish and believing in Christ should deny us that right and do everything possible indirectly to sustain a government which is quite the opposite of what the Spanish people hope for and uphold.

[Lopez] Do you believe that the visit by Deputy Prime Minister Alfonso Guerra has been used by the Sandinists for their purposes?

[Guevara] The fact that he did not receive or invite any opposition group makes it a very superficial visit, because I do not believe that this is what is appropriate for somebody who hopes for democracy, development, and peace in a country, when he does not listen to the other side, knowing, as he does, that this is a country in conflict.

[Lopez] However, he did meet with three of the six opposition parties represented in the National Assembly. Do you deny that opposition's legitimacy?

[Guevara] I do not believe that it can be called a British-style opposition; it is some people who have been prepared to cooperate with the Sandinists. Although nothing in politics is definitive, the political opposition in the National Assembly is not what is understood in democratic countries as a legitimate opposition.

[Lopez] In your opinion, what role should Spain play, taking into account its traditional ties with Central America and its status as a member of the European Community?

[Guevara] Spain has a role in Latin America which it must not mar. I believe that, more than a problem of regional security, an ideological conflict is at stake in Nicaragua and Central America. We believe that Spain cannot afford the luxury of harboring blind anti-Americanism and because of that anti-American feeling sacrificing in Nicaragua the values which the Spanish people

have desired and want. We believe that Spain could continue to play a very important role in the future. Above all, we Nicaraguans believe that Spain could be Central America's doorway to Europe.

[Lopez] What do you believe the Spanish Government should do in order to play that role?

[Guevara] The Spanish Government should press for verification of observance of the Esquipulas agreement. In our opinion, the pressure which the democratic countries could exert on the Sandinist government is vital because it is something that we need more than other countries in Central America. However, the people of Nicaragua have not yet perceived that support from the Spanish Government.

[Lopez] Do you believe it possible that Spain could act in some way as a mediator or intermediary?

[Guevara] It seems to me that Spain has already tried to play that role and has not succeeded. However, I believe that the possibility is not ruled out if Esquipulas fails. To this end there should be rather more contact with the opposition in order to enable the Nicaraguan people to regain faith in the PSOE.

[Lopez] So do you believe that Alfonso Guerra's visit has served to take steps in that direction or, on the contrary, that an important opportunity was missed?

[Guevara] It was definitely missed. The Nicaraguan people have the impression that the Spanish Government is in some way an accomplice in what is happening here.

[Lopez] So must cooperation with Nicaragua be discontinued or directed through nonofficial channels?

[Guevara] Alfonso Guerra's visit is very important for the Sandinists because it demonstrates legitimacy, and they need that kind of international public endorsement. Moreover, I have not heard that Mr Guerra said that Spanish support must be basically dependent on internal democratization. It seems to me that, although it is true that Spain has traditional ties with the people of Nicaragua, the latter cannot appreciate any kind of cooperation which tends to guarantee a dictatorship's stability.

[Lopez] What, according to the Democratic Coordinating Board, is the overall picture of the current situation in Nicaragua?

[Guevara] Before the Esquipulas agreement we experienced constant repression. I personally spent 9 days in prison in 1985 without any reason. So did other political leaders.

Concerning the Guatemala agreement, which envisages a political solution, we must say that the Sandinists have treated it as a formality and not as something of substance; that is, they have falsified the agreement for the consumption of the Western democracies which could subsequently finance their Marxist blueprint. This agreement in broad outline envisages an amnesty, suspension of the emergency law, and a cease-fire. As regards an amnesty, the government has not granted it in the stipulated manner but has issued a pardon, which is not what it pledged, because it was something very partial and very limited, with the aim of creating the impression that if it was not carrying out the one, it was carrying out the other—and changing its significance, because it knew that it cannot or should not grant a general amnesty, which is what constitutes the fundamental basis for national reconciliation.

[Lopez] What connection and opposition [as published] does the Coordinating Board have with respect to the contras?

[Guevara] We start from the assumption that the members of the resistance are as Nicaraguan as ourselves. That gives them an equal right to seek how to arrange the country's opposition both at home and abroad. Pacification, reconciliation, development, and joint action as Nicaraguans are their concern, as they are ours. However, we believe that their ideals of democracy, peace, and freedom differ from ours, while we do not use the same military methods they use.

[Lopez] What basic shortcomings do you see in the democratization of Nicaragua?

[Guevara] There is total centralization of the state, the Army, and the party. They form a power unit in which the news media, the police, the Army, the state apparatus, the methods and means of repression, trade—everything that concerns collective or individual activity—centers around the party's interests. There is a permanent and self-interested blurring. There is no judiciary subject to a real separation of powers, such as there is in any democratic country. Everything centers around the authority of the people comprising the national leadership. We obviously start from the assumption that those who jeopardize not only our own security and lives but also the security of other countries and who have an avowed Marxist ideology cannot be regarded as a democratic country. As regards human rights, there are 9,000 detainees and there are constant violations of human rights.

We cannot speak of trade union freedom when trade unionists are being repressed. We cannot speak of any public freedom, since an attempt is being made with great subtlety and agility to present an image which does not exist. We can see this not only in the parallel setting up of the people's church, which has received the government's support in order to counter the hierarchy's

influence, but also at the level of intermediate associations. The Sandinists are attempting to create the impression of an internal democracy with the aim of securing sufficient credibility and financial support, which is what they need above all.

[Lopez] However, the Esquipulas agreements seem to have opened up a possibility of reconciliation and a path toward democratization...

[Guevara] We believe that they [the Sandinists] are conducting a reorientation. The Esquipulas agreement has given them that opportunity, but we do not believe that the democratic governments and nations of Europe will allow themselves to be deceived.

For instance, it is not the functioning of the newspaper LA PRENSA and Radio Catolica which should be deemed real freedom of expression. There is no freedom of expression. LA PRENSA and Radio Catolica are intended for domestic consumption to prove that there is freedom of expression, but, in our opinion, it would represent more of a precondition to use other radio stations and to set up new newspapers. Obviously, it is a deception, in our opinion, and the aim is to deceive the democratic feelings of the countries of Europe and the world.

As regards the National Reconciliation Commission, we feel represented on it solely by Cardinal Obando, because the other three personalities comprising it are clearly pro-Sandinist.

As regards the cease-fire, we believe that they have not fulfilled their pledge, which forms part of the agreement. I do not believe that it can be said that there are positive signs. However, we cannot discard the signed document, because it is the only possible peaceful way to continue to survive as a nation.

[Lopez] What are you doing as an opposition, and what response do you find among the people?

[Guevara] We are doing what is possible, because we believe that we must take advantage of this situation which has forced the Sandinists to hold the door open somewhat. We believe that the people have been stilled by terror and need, but we must try to train them in civil political practice. However, I must say that the internal opposition has been weakened because for 8 years it has been dispossessed and its leaders, its cadres, and its grassroots have been imprisoned. It has been terrorized and expelled from the country, and just now it feels that it has a kind of duty, yet we do not have the ability to move since we do not know when they will repress us again, as they have done on other occasions.

[Lopez] Is the blurring of the Sandinist Front and the Army a fundamental obstacle to democratization?

[Guevara] A fundamental step in democracy is the separation of interests of Army and party and Army and state. The ideal thing would be to have a national professional Army. In 1979 the agreement was that the Army would comprise the Sandinist insurgents and the military cadres of Somoza's Army. It is contradictory to say that the Army forms part of a party, because this is obviously just a true reflection of the theory that those who have the weapons have the power. It is just a repetition of a whole series of dictatorships which Nicaragua and Central America have undergone.

[Lopez] If the Army forms a whole with the Sandinist Front, it could be believed that a change in the domestic situation depends on a people's revolt against Sandinism. Do you consider this possible, or do you see other possibilities?

[Guevara] The solution could be as follows. Obviously, there are major splits in the Army, the party, and the state apparatus over administration, the economic collapse for which Nicaragua will not be able to compensate for long, the breakup of families, the bloodshed, and the war, caused by the Sandinist apparatus' intransigence and thirst for power. International disrepute, a tarnished image, and some other reasons are causing the interior of the Sandinist apparatus to lose strength. They need above all to rectify this. This splitting comes at a time when the Esquipulas agreement facilitates an internal democratization, but ensuring the agreement's implementation requires more than our pressure alone, which is quite limited in comparison with that which can be exerted by international bodies and friendly nations and governments, accompanied by their press, demanding prior verification and confirmation in order to accord credibility to the agreement's implementation.

Obviously, interference is not being sought, but in this case, where a regional conflict is looming and where we are experiencing an ideological conflict, every democratic country should demand definite action, real demonstrable, verifiable actions, which would make it possible to restore credibility and grant an endorsement by the democratic nations of the world, resulting in material or financial support.

[Lopez] From your position, do you glimpse a solution in the near future?

[Guevara] We, as an opposition, do not seek to overthrow the Sandinist Front in the traditional manner. We believe that the Esquipulas agreement is a procedure. What we want is to have clearly established guarantees and rules of the game. We do not wish to imitate Spanish democracy or that of any other country; we wish to have our own democracy, but with its clearly established rules. We do not want deceptions for the people. We do not wish to enter the Soviet orbit; we are a Western nation.

Mexican Envoy Says Oil Shipments To Continue

PA192011 Managua Radio Sandino in Spanish 1200 GMT 19 Dec 87

[Excerpt] New Mexican Ambassador Gilberto Ruiz Almada has stated that Mexico will continue supporting Nicaragua.

Ruiz Almada said his government will continue the oil shipments to our country and added that, regarding the Latin American foreign debt, we [Latin Americans] should not pay more than each of our countries is able.

Ruiz Almada presented his credentials to President Daniel Ortega Saavedra. [passage omitted]

Trade With, Aid From Eastern Bloc Cited

PA182230 Managua Radio Catolica in Spanish 1800 GMT 17 Dec 87

[Text] Nicaragua has been supplying socialist countries with coffee, tobacco, and bananas in exchange for lines of credit granted by those countries to the FSLN government.

According to figures published in international magazines, the Communist bloc granted $1.83 billion in credits to the Sandinist regime between 1979 and 1986; in 1986 those lines of credit increased by nearly $500 million, which is the highest amount granted to the Nicaraguan state by the Soviet bloc.

The publications point out that these figures are five times larger than the amount granted by the United States to all of Latin America during the same period.

The same sources reveal that a majority of Soviet technicians currently in Nicaragua are experts in military communications, transportation, and construction. Many of them are working on strategic military construction projects.

The same publications state that in July 1986 the Soviets installed a satellite ground station in Nicaragua to facilitate Sandinist communications with the rest of the world. Those installations include direct telephone lines.

Minister Notes Drop in Industrial Development

PA211808 Managua Radio Sandino in Spanish 1930 GMT 18 Dec 87

[Text] This morning Nicaraguan Industry Minister Emilio Baltodano Cantareno reported that the country's industrial development decreased 2 percent compared with last year. During a briefing at the Augusto Cesar Silva Convention Center, Minister Baltodano Cantareno blamed the drop in production primarily on the lack of foreign exchange to import raw materials. However, he noted that the industrial sector had met its goal by 86.1 percent. Clothing manufacturing and graphic arts production rose 55 percent.

Industry Minister Baltodano Catareno said that the possibilities of acquiring foreign currency next year are not good. However, he said that industrial production is expected to grow 2.5 percent during 1987. Nicaraguan Vice President Sergio Ramirez Mercado attended the meeting. Here is an excerpt of his remarks:

[Begin recording] [Ramirez] It [not further identified] has not set us back to the extent our enemies wished. The results of the production of material goods and services at the end of this very difficult year truly constitute an appropriate solution to the problems caused by foreign aggression, although those results were produced amid dangerous and difficult conditions.

We were able to seek a solution. We were able to provide it whenever possible. We were able to sustain the direction of the country's economy in order to contribute to the fulfillment of our objectives. The revolutionary force has been strengthened despite all the difficulties we experienced in the military, political, and diplomatic areas. Therefore, as 1987 draws to an end, we can speak of a year of progress. This was a year of progress because the will of the people seen in the support for the policies of the revolution has remained strong. The enemy has not been able to destroy this support and has been unable to weaken it. [end recording]

Agrarian Reform Official Cites Achievements

PA202130 Managua Radio Sandino in Spanish 1200 GMT 18 Dec 87

[Text] Guerrilla Commander Alonso Porras, director general of agrarian reform, has said: War is the main reason for agrarian reform expropriations. Porras assessed the activity of that directorate during 1987 and commented on agrarian policy for the next year.

He said that the war has displaced 250,000 people and caused the relocation of 25,000 families to peasant settlements. Porras said that war has been the main reason for expropriation. From January to December 168,042 manzanas of land were distributed to 9,300 families. Only 26 percent of that land was privately owned; the rest was state-owned.

Guerrilla Commander Alonso Porras added that the transformation of the land ownership system will continue to be strengthened next year and that an attempt will be made to minimize the effects on private owners.

The agrarian reform director said that most land problems have been resolved, but that in 1988, in an attempt to meet the needs of families without land, private land will be expropriated when absolutely necessary. In the past 3 years the state has ceded nearly half of its land to peasants who have laid down their arms in the war; only 554 farms have been expropriated, he added.

[Begin Porras recording] We have helped peasants primarily by giving them land owned by state institutions. In the past 3 years... [corrects himself] in 1985 the state owned 22 percent of total farmland in this country; the state currently owns only 13 percent. We can say that it has distributed nearly half of that land to the peasants.

We have negotiated more properties by buying out their owners than we have expropriated land during the same period. We negotiated and bought 454 properties in the past 3 to 4 years—454 negotiated and bought, not expropriated, properties.

Including this year, since its triumph the revolution has distributed... [changes thought] has benefited 72,000 peasant families through agrarian reform. This year 9,300 have benefited. In sum, 72,000 peasant families have benefited, including the figure for this year.

We have allotted 1,268,000 manzanas. In addition to these families that have directly received land, 40,000 other peasant families that were facing a precarious situation received land title deeds. This adds up to 112,000 families who have benefited from agrarian reform in the past 8 years. In other words, the 72,000 who had no land received land, and the 40,000 who were facing a precarious situation received land title deeds, thus legalizing their rights to the land. That adds up to 112,000 families who have benefited in the past 8 years. If we multiply by 5 or 6 people, which is the average size of a rural family, the revolution has benefited more than 600,000 Nicaraguan citizens. [end recording]

Panama

Presidency Clarifies Scope of Pardon, Amnesty

PA211400 Panama City LA ESTRELLA DE PANAMA in Spanish 21 Dec 87 pp A-1, A-18

[Communique issued by the Presidency of the Republic in Panama City on 20 December—passages in boldface as published]

[Text] Responding to several inquiries received during the past few days, the Press Secretariat of the Presidency of the Republic states the following:

1. On 16 December President Eric Arturo Delvalle announced a pardon that will go into effect on 23 December.

2. Only the president of the Republic has the constitutional power to decree pardons for political crimes.

3. The president's decision is based on the powers entrusted upon him by Clause 12 of Article 179 of the Constitution, which textually reads:

"Article 179: The president of the Republic is entrusted with the following powers with the participation of the respective ministry:

Clause 12. **Decree pardons political crimes,** reduces sentences, and grants conditional freedom to prisoners for common crimes." (our boldface)

4. Article 91 of the Penal code textually reads:

"Article 91: Amnesty and pardon for political crimes abrogate the penal action and the sentence." (our boldface)

5. Therefore, it is concluded that the presidential decision, the pardon, and the amnesty terminate the legal processes already initiated or that could be initiated. It is understood that in this case, the Attorney General's Office rescinds its power to investigate actions that could be considered crimes and to enforce the corresponding sentences.

6. In the next few hours the executive branch will announce the legal instrument to enforce the decision announced by President Eric Arturo Delvalle to contribute to the conciliation and unity of the Panamanian family.

Panama City, 20 December 1987

Pardon Announced 22 Dec

PA230027 Panama City Telemetro Television in Spanish 2300 GMT 22 Dec 87

[Text] The Presidency's Press Secretariat announced this afternoon Executive Decree No 91, which pardons about 100 people allegedly linked to crimes and events that occurred since 8 June 1987.

This presidential pardon includes businessmen, journalists, politicians, students, and workers, as well as citizens who are in exile. The presidential communique states that this presidential decision is to contribute to the Panamanian family's reconciliation and unification.

'Plot' Against Country, Noriega Analyzed

PA210439 Panama City CRITICA in Spanish 18 Dec 87 p 44

[Text] Special attorney Lawrence Walsh has granted immunity to U.S. citizen Mike Toliver in exchange for his testimony in the Irangate investigation to end next February. Toliver revealed the existence of an arms trafficking center at [U.S. citizen] John Hall's farm in Guanacaste Province, Costa Rica. According to Toliver, this center is run by anti-Sandinist rebels and Cuban exiles employed by the CIA to train commandos and to distribute the arms flown secretly to Hall's farm.

In fact, the weapons and men denounced by David Pere, Panamanian ambassador to San Jose, originate from this clandestine source.

The arms movement from northern (Nicaragua) [as published] to the southern (Panama) border, is due to a sudden change in the objectives of the conspiracy.

Once the Civic Crusade saw the failure of its street violence, it turned around and established as its immediate objectives the murder of General Manuel Antonio Noriega and the infiltration of urban commandos into Panamanian territory.

Luis Manuel Martinez analyzes the destabilization process, the economic aggression, and the escalation of violence that characterize the three steps of the plot, which goes back to 1986. It was in that year that disinformation, manipulated by the National Security Council, headed at that time by Vice Admiral John Poindexter, was given broad coverage in the most important U.S. newspapers, the three largest TV networks—CBS, NBC, and ABC—and international news agency dispatches.

The U.S. Puppets: [subhead]

Prefabricated Witnesses [subhead]

The strategy pertains to the psychological techniques used quite frequently by U.S. spy agencies.

One has to somehow eliminate the image of weakness, hesitation, and slowness which is said to diminish the yield of the world's most expensive intelligence organization.

The deserters, transformed into talking machines, serve this purpose very well. Deserters, convicts, and criminals are also used, because the underworld has always been an inexhaustible source of material for irregular espionage tasks.

Three Cases [subhead]

Let us cite three recent examples: Ramon Rodriguez Millan, sentenced to 32 years for drug trafficking, appeared one day giving statements to the U.S. news media about his activities in Panama.

In fact, it was in Panama where members of the Special Antidrug Trafficking Force detected Rodriguez Millan and reported him to the Drug Enforcement Agency, because he was a U.S. citizen residing in Miami.

Rodriguez Millan enthusiastically revealed that he had delivered $4 million from the CIA to Gen Manuel Antonio Noriega, commander of the Panama Defense Forces.

Shortly thereafter, Florencio Aspillaga, a member of the General Intelligence Bureau (DGI), a branch of the Cuban Interior Ministry, deserted under pressure from a fascinating young secretary who worked for the Cuban Embassy in Prague. As soon as he ran out of money, Aspillaga decided to take advantage of the sources of funds available for the anti-Panama campaign, so he claimed to have seen Gen Noriega negotiating a cargo of arms for the Salvadoran guerrillas at that ministry.

The latest specimen of the crop of deserters who today betray the systems they formerly and without question supported is Nicaraguan Roger Miranda Bengoechea.

Questioning [subhead]

After the customary questioning, and a contract for about $3,000 monthly, Miranda agreed to give his first news conference, which was reported on the front page of THE NEW YORK TIMES in its 14 December 1987 edition.

The only reference to Panama in the entire text was the mention of an account opened in this country by Nicaraguan Defense Minister Humberto Ortega, Daniel's brother, with the Banque Nationale de Paris, Swiss branch, for $1.5 million.

Surprisingly, Miranda was cited by the same newspaper in later editions charging Gen Noriega with having asked permission from the Sandinist government to send arms to the Salvadoran guerrillas.

Such charges perpetuate the plot to economically pressure and discredit Panama. There is no concrete evidence to support the stories concocted with help from the compliant deserters, anxious to find a source of income and willing to make false statements to create public opinion based on half-truths and outright lies.

A few months ago, both THE NEW YORK TIMES and THE MIAMI HERALD admitted that the reports published against Panama had been supplied by the National Security Council and its director, Vice Adm John Poindexter, to force Gen Noriega to withdraw Panama from the Contadora Group.

Surprise [subhead]

Much to our surprise, we have learned of investigations being conducted and trials being held in two different courts, one in Tampa and the other in Miami, to verify the charges of drug trafficking against Noriega. The very same parties who rejected these charges are now recycling rotten material that is only useful to people without any scruples.

The U.S intelligence community not only lacks scruples, but it also lacks ethics and morals when it comes to its interventionist campaigns in the name of democracy.

It differs very little from the KGB (Committee for State Security of the Soviet Union). In fact, the Soviets use disinformation a lot more subtly and discreetly than their U.S. counterparts.

Moscow [subhead]

At no time would the Soviet Foreign Ministry bestow the rank of ambassdor on a dissident who obtained citizenship a mere 3 years ago. We are referring to Armando Valladares, who cannot even speak English and who already suffered a defeat at the beginning of this year when, with Vernon Walters' support, he tried to get Cuba sanctioned "for its continuous violations of human rights." The Soviets are more careful on whom they confer such a rank.

The Conspiracy Against Panama [subhead]

The charges made by Ambassador David Pere during a news conference in San Jose, Costa Rica, are valid. One only has to go back 10 years when President Rodrigo Carazo Odio and his public security minister, Jose Antonio Echevarria Brealey, turned Central America's oldest democracy into a springboard for arms contraband and a sanctuary for the Sandinist guerrillas.

The Organization of American States [subhead]

The OAS observers in Guanacaste did not want to find out about the arrival of airplanes from Cuba that discharged arms and other materiel at the Llano Grande Airport.

When Luis Alberto Monge became president of Costa Rica, large arms shipments remained in the country and the policies of the White House caused a 90-degree turn. The bases and the arms, the undercover facilities were then for the anti-Sandinist rebels.

In fact, U.S. citizen John Hall owns a large farm in Guanacaste, which is a haven for the contras and a center for arms traffic. This place of belligerent activities financed by the CIA has always had the assistance of Cuban exiles from Miami and of former members of Brigade 2506, that is, old agents working under contract.

Failure [subhead]

The destabilization experts in Washington decided in November that the plot using the Civic Crusade as storm troopers [tropa de choque] had failed. The Crusade was unable to make the Panamanian Government submit to the U.S. demands to revise the Torrijos-Carter Treaties, especially on the matter of U.S. troops in Panamanian territory. The experts concluded that it was necessary to change strategies and to leave the Civic Crusade stranded.

Strategy [subhead]

The new strategy has two simultaneous objectives: Gen Manuel Antonio Noriega's assassination, and the entrance into Panama of armed groups to unleash an urban guerrilla campaign.

The arms and the men are in Costa Rica, and the mercenaries will be supplied from Miami, via San Jose, as the logistics of the operation require.

It is not odd that the authorities are unaware of the plot; they were also unaware years ago, and they will continue to be unaware. It is also not surprising that the ultrarightist newspaper LA NACION attacks its cordial and friendly neighbor. It did the same thing with Nicaragua, without weighing the consequences of supporting violence.

For the United States it has not sufficed to suspend aid to Panama, to exert pressure against its tourism, and to plot the destruction of its banking center. In its blind stubbornness, it is willing to cause a third armed confrontation in Central America.

Arias Calderon on Noriega, Delvalle Speeches

PA191230 Panama City Cadena Exitosa in Spanish 1245 GMT 18 Dec 87

[Interview with Ricardo Arias Calderon, president of the Christian Democratic Party, by Ramon Jimenez Velez on the "Open Microphone" program—live]

[Excerpts] [Jimenez] With those happy Christmas tunes we will begin our program for today, Friday, 18 December 1987. As usual, this is Ramon Jimenez Velez greeting you to present this, the favorite program of Panamanian radio listeners. Today we will have Ricardo Arias Calderon, president of the Christian Democratic Party [PDC]. Today's issue of LA ESTRELLA DE PANAMA carries some comments on President Delvalle's speech by the PDC, the MOLIRENA [Nationalist Liberal Republican Movement], and other opposition parties.

In my regular commentary I said this morning, just as I said yesterday, that the opposition parties should give their opinion about the president's remarks, proposals, and offers.

This morning we commented on the statement issued by the PDC regarding this. We made some comments. We did not have the full text of the PDC statement but I understand that Arias Calderon will read it.

[Arias Calderon] Sure, Ramon, I appreciate this very much. This is the communique issued by the PDC's National Political Committee. The committee met in a special session yesterday morning to evaluate several official statements made as a whole. One cannot analyze Mr Delvalle's speech by itself if one does not place it within the current political context.

The first comment made by the PDC Political Committee was on the statement by the Panamanian ambassador in San Jose. [passage omitted]

[Jimenez] We have received news agency dispatches regarding the incident about Ambassador Pere. We also received a report on remarks by the acting interior minister of Costa Rica rejecting these accusations. We also received information from the U.S. embassies in Costa Rica and Panama, which were said to be involved in this matter, and remarks by Costa Rican Foreign Ministry officials. There has been no official statement from the Costa Rican Foreign Ministry. However, the acting president of that nation made some statements asking the Panamanian Government to issue its opinion on Pere's remarks. There was also a report saying that top Costa Rican officials met but they had not discussed declaring Pere persona non grata. [passage omitted]

[Arias Calderon] I think the problem he has created because of his remarks is both procedural and substantial. I say procedural because if he had any information that led him to believe Costa Rican officials were tolerating preparations for an assassination attempt, he should have not gone to the media first but to the Costa Rican Foreign Ministry to ask them for an explanation. Undoubtedly he would have received one. However, if the Costa Rican Government did not give him an explanation, then and only then would the Panamanian Government have to make its accusation public. This is a very serious procedural problem. However, there is also a problem of substance. One cannot, in terms of credibility, made such an accusation of President Oscar Arias, a Nobel Peace Prize winner who heads the most democratic government in our region, without having convincing proof. What we are witnessing is an attempt to seek a confrontation with democracies and a rapprochement with those countries that are undemocratic. [passage omitted]

We think the government should dismiss this ambassador, and moreover should dismiss the person who gave the ambassador the order to make this accusation. I say the person who gave the order because I do not know who issued this order. I do not know if it was Foreign Minister Abadia, President Delvalle, or, as usual in Panama, the commander in chief of the Panama Defense Forces [FDP]—but someone owes an explanation to the national and international public.

The second point of the PDC communique is that we consider General Noriega's 15 December speech as one more demagogic act of military intervention in the country's politics. We are basically referring to an aspect of the speech that we criticize. In his speech he was disrespectful of the nationalist value of our independence. He repeated the slanders of an anti-Panamanian writer to the effect that our forefathers might have sold out or might have acted on 3 November [1903] out of venality instead of patriotism.

We thought it was unbelievable that the commander in chief of the FDP—whose motto is "everything for the fatherland"—should have publicly endorsed the theories of an anti-Panamanian writer who tried to publish his book with national funds a few months ago. Furthermore, I think that in his speech Gen Noriega assaulted the patriotism of all Panamanians and even that of the FDP members because he tried to suggest that the FDP's roots are alien to our independence; that the FDP do not feel linked to the nationalist fact of our independence; that the FDP's history predates and is in some way detached from our independence. It was as if the history of the FDP was different from the history of the Panamanian people and state. I think that the fact that any national institution should consider itself detached from our independence—which took us from being a Colombian province to becoming a republican, independent state with full nationhood—is unacceptable.

[Jimenez] I would like to add in this regard that since General Torrijos' times, during the time of the treaty negotiations, Torrijos referred to the actions of our forefathers in terms that were quite similar. At the time he was head of government, the government spoke rather ill of the actions of our forefathers and there was even talk at that time that Panama's independence was virtually going to begin with the Torrijos-Carter Treaties. This position later changed to a certain extent, but the Torrijos government held this position at that time.

[Arias Calderon] However, I think that, as you said, they later talked about a theory of generational nationalism that was much more adequate as a theory because it recognized that a nation is not built by a single person but by all its people, generation after generation. So, what kind of Panamanian is somebody who does not have a feeling of recognition and of pride in our forefathers?

That is why the PDC National Political Committee communique ends this point by adding that Gen Noriega's speech is one more reason to demand his removal from the post of commander in chief.

In the third place, we took into account the speech delivered by President Delvalle in the atmosphere of the FDP Central Headquarters on the 16th. Viewing the speech as a whole, we feel it ignores the fact that our country's overall crisis and the absolute lack of credibility of our rulers mandate brave, in-depth changes, and not timid, ambiguous, or superficial changes. We think Mr Delvalle missed an opportunity because the Christmas and New Year season is about to begin and the country tends to look for the essential values that unite all Panamanians, that infuse life into our families. He could have used this opportunity to announce courageous and in-depth changes. What he outlined to us were timid, ambiguous, and superficial changes. [passage omitted]

[Jimenez] Dr Arias Calderon is going to discuss the PDC's position regarding the president's proposal presented in the 16 December speech.

[Arias Calderon] The first element of Mr Delvalle's proposal has to do with the composition of the Supreme Court of Justice. He revealed that two new Supreme Court justices would be appointed. He made these appointments to try to find a political solution to the current crisis, to give the people confidence in the administration of justice. I am afraid that his first proposal, once it has been thoroughly analyzed, is not sufficient. Why? Because in accordance with Article 312, No 12 of the Constitution, by the end of this year two Supreme Court Justices were due to be changed anyway. Since, in addition, Magistrate Camilo O. Perez was assassinated, a third change should have been made besides the two already stipulated by the Constitution.

[Jimenez] I beg your pardon. I want to clarify this because sometimes people do not understand: two full-time justices should be appointed....

[Arias Calderon, interrupting] Exactly, and then another to complete Magistrate Camilo O. Perez' term.

Thus, instead of three new justices, which would have really changed the composition of the Supreme Court of Justice, we now arbitrarily have two justices, both with full-terms.

The question arises as to the motive for this reduction. I believe the reason, as anyone who knows the Supreme Court's inner workings can see, is quite clear. One of the justices who should retire next year is the honorable president of the Supreme Court. This justice, as we all know, is notoriously pro-Gen Noriega. These changes should have included her, because she has worked there for a number of years. This would have cut the umbilical cord, or at least the main umbilical cord between the Supreme Court of Justice and the Defense Forces commander in chief. The reduction of the number of justices, by only appointing two, was the arbitrary way to avoid including the Supreme Court of Justice president in these recent changes.

[Jimenez] But these changes still have to go to the Assembly for ratification.

[Arias Calderon] That is correct. Analzying Mr Delvalle's proposed appointments, one finds at once cause for concern. The Supreme Court of Justice lacks credibility. Panamanians do not feel that justice is administered independently in this country. The message that Mr Delvalle should have sent with his appointments was that a new path of judicial independence had begun. He could have appointed someone like Dr Dulio Arroyo, or someone like the dean of the University of Panama School of Law. He would have thus shown the country that there is willingness to follow a new path, that there would be genuine [judicial] independence.

Unfortunately, he has chosen people who, whatever their credentials are, are too closely linked with official spheres to be able to convey this message. One of the justices Mr Delvalle has nominated is the son of the president of the sugar business owned by Mr Delvalle. Justice Arosemena, just nominated by Mr Delvalle, is the son of the president of Azucarera Nacional, owned by Mr Delvalle.

[Jimenez] He is a major stockholder.

[Arias Calderon] In addition, the other nominee, lawyer Campo Elias Munoz, whatever his credentials may be, has very close links with the PALA [Labor Party]. In other words, these are two people who do not provide the assurances, the guarantees that Mr Delvalle has to convey to the community that these Supreme Court appointments are part of a political strategy to begin resolving our country's current grave crisis.

In addition, a valid answer must be given to the question that has arisen in the minds of the citizens since yesterday's Legislative Assembly session. It was revealed there that Mr Arosemena, who is being nominated as a Supreme Court justice, was at one time punished by that very court for having presided over a case from which he should have abstained because his own father was involved in it, as president of Azucarera Nacional. [passage omitted]

Therefore, the Christian Democrats, particularly the national Political Committee, believe that the opportunity to make the necessary appointments to assure a new path of judicial independence has been wasted. This is a basic point, Ramon. If we Panamanians do not regain confidence in the judicial branch, not only will our democratic future be in danger but also our peaceful coexistence, because when people have doubts about judicial independence they are tempted to take justice into their own hands. We must avoid that. We must maintain peaceful coexistence among Panamanians, and the key to this is having a judicial system that wins our confidence.

The second point that we Christian Democrats and the party's Political Committee discussed was the point referring to the Electoral Tribunal.

Mr Delvalle announced that Justice Cheng had resigned. Mr Delvalle said he will appoint someone to the Electoral Tribunal who will represent the opposition. This is where I believe Mr Delvalle completely lost sight of what is needed for people to again have confidence in the electoral system. Mr Delvalle is endorsing two of the Electoral Tribunal magistrates. However, 80 percent of Panamanians believe that those two magistrates helped make the last elections dishonest. A Gallup poll showed that 80 percent of Panamanians believe the last elections were not clean elections. Among the people responsible for this fraud are those two Electoral Tribunal magistrates who have been endorsed.

What the country needs is not the mere distribution of political influence in the Electoral Tribunal, which will turn this institution into a political battlefield. To begin with, there are not enough posts to appoint a magistrate for each political party. When Mr Delvalle made this proposal he was saying: I am giving you one post, but I am keeping two. I am keeping the two magistrates who are already experts in fraud. I am now giving those two magistrates the opportunity to earn a doctorate in this field because I and those I represent are sure they will be able to repeat their past actions. This is not what we Panamanians are expecting.

We Panamanians are expecting the appointment of three Electoral Tribunal magistrates and high government officials—because the magistrates are not the only problem; high government officials are also involved—who will provide the appropriate guarantees to all political sectors. Panamanians expect the appointment of three magistrates and government officials who, because of their integrity and independent thinking, will assure the Panamanian people that the Electoral Tribunal will be above partisan fights and will guarantee truly honest elections, without fraud.

[Jimenez] Yesterday, in our morning commentary, we mentioned that in this regard Justice Cheng was not the justice that the opposition groups were questioning. We also stated that to politicize the Electoral Tribunal by saying... [changes thought] I reiterated my statement this morning when we discussed some of the points the PDC presented. I said I believe it is necessary to wait and see the response of Dr Arnulfo Arias' Authentic Panamenist Party—which I believe has the largest number of followers—and the PDC, which I believe is the best organized opposition party. These are the two parties that perhaps would not underestimate the position of other parties like MOLIRENA, Popular Action, or any other parties regarding the president's proposal. I believe—yesterday I insisted—that distributing the Electoral Tribunal among opposition and government sectors, and politicizing an institution that certainly should not be politicized, is a decision that would eliminate any positive image that could exist in the community.

[Arias Calderon] I share your views, Ramon. If it is politicized—well, we all know how to add and subtract. There will be two magistrates for the government sector and one from the opposition. This situation has already occurred, and it provided the conditions for the fraud.

The third point proposed by Mr Delvalle was also discussed by the PDC Political Committee. That is, the pardon announced for reconciliation, so all those people who have judicial actions pending, including those who are abroad, can have a feeling of security and freedom during Christmas.

Unfortunately, the pardon announced by Mr Delvalle does not fulfill its objective for a number of reasons, first, because a pardon assumes that those receiving the pardon have been proven guilty and sentenced. Anyone who looks up the word pardon in any Spanish or legal dictionary will find that to pardon means to forgive or reduce the penalty given to someone who has been tried, convicted, and sentenced. Pardon eliminates or reduces a penalty. Therefore, when you pardon someone you are saying: You are guilty, I have sentenced you, and I am now pardoning you. That is not the spirit of national reconciliation.

The second reason why this pardon fails to meet its announced purpose is that it apparently intends to give equal treatment to the Civic Crusade members unjustly accused for peacefully protesting and to members of progovernment paramilitary groups accused of armed attacks and murder. To accord equal treatment to radically different situations—from human, moral, and legal viewpoints—goes against the spirit of reconciliation, which should include a sense of justice, rather than setting justice aside entirely. Reconciliation transcends justice and does not negate it. Therefore, the reconciliation solution should fit the radically different situations I have described.

[Jimenez] I would like to mention two things. Going back to the Electoral Tribunal magistrates: Somebody remarked to me that the president could only be involved in Magistrate Cheng's case because the other two magistrates are designated by the legislative and judicial branches. I was also told that the president could not discuss the two other magistrates because that could be interpreted as meddling in matters relating to those magistrates.

[Arias Calderon] Ramon, that remark is irrelevant because reality is very different from that. The president had a great deal to do with which magistrate's resignation he requested. Yet he could perfectly well propose, politically speaking, to totally renovate the Electoral Tribunal and let responsibility fall on whomever it would. But this proposal did not even occur to him. [passage omitted]

We do not rule out the possibility of an amnesty law to support national reconciliation. Different standards could also be used for those charged with alleged crimes not involving violence or murder and those charged with crimes involving violence and murder. This does not mean—the history of amnesty proves it—that it is impossible to issue pardons in both types of cases. Amnesty can perfectly well include various types of pardons. Although justice will have been transcended, certain of its fundamental demands will have to be taken into consideration.

There is a third point in the announced pardon that prevents its fulfillment. It has already been stated that this pardon does not apply to Colonel Diaz Herrera and his followers.

[Jimenez] I think it is because Diaz Herrera is being tried. This is the explanation the vice president gave.

[Arias Calderon] Technically speaking many others are also being tried. Here, we have touched upon a key point. They have not been charged with murder, like other people. If amnesty is to be granted—because amnesty is the correct word, rather than a pardon—why will Col Roberto Diaz Herrera and his followers be excluded?

[Jimenez] If an amnesty were granted, they could not be excluded.

[Arias Calderon] It depends on how such a term is defined. You mean they should not be excluded.

I believe Mr Delvalle has not achieved what he has been looking for. That does not mean what Delvalle has been doing is wrong. I believe it is a good thing he has done it. It is a good thing; he has said so too. This is the point that has stirred up public opinion the most. We do not want Panamanians to be in exile during Christmas; we do not want to see Panamanians concerned about their safety and their freedom; we do not want to celebrate this special day—which is noted for its sense of peace, of love, and of family—deeply divided. The son of God was born on that day within a family. We all want to feel the warmth of a family. We do not want Christmas day to see us all deeply divided. Therefore, I believe it is good to seek a solution for this.

There have been proposals made in the Legislative Assembly. Legislator Francisco Artola, from the Authentic Panamenist Party, proposed a well-thought out amnesty plan. I believe Mr Delvalle would have done the correct thing if he had accepted that proposal. That would have been a noble gesture on the part of Delvalle. I believe solutions of that type will be found.

Finally, I would like to talk about the fourth point of Mr Delvalle's proposal: the reopening of the closed communications media. I must say—as the Christian Democratic Party communique states—that the reopening of those media is still in doubt. Moreover, the conditions under which the reopening of the media will take place are also in doubt. According to the text of Mr Delvalle's speech, the Legislative Assembly must still approve a bill to reform the press law. Immediately after Delvalle's speech Legislator Camilo Gozaine, who heads the commission in charge of discussing the bill, restated the commitment to approve such a bill with the votes of government legislators. This is a bill that tries to legalize violations against the freedom of speech.

Moreover, in his speech Delvalle talked about judicial proceedings that have not taken place. All proceedings have been suspended and a number of inconsistent measures have been implemented to keep the communications media closed. If those media are to be opened, let them be opened now and with full freedom. That is what all Panamanians want. [passage indistinct]

At no time has Mr Delvalle promised to give the Panamanian people their right to demonstrate peacefully. This right has been denied and it is a violation of the Constitution. This right must be recognized because it is a constitutional right, and most of all it is a human right. In addition, Delvalle has not talked about the basic need demanded by the country to make changes in the Panama Defense Forces leadership as a necessary step to make it a professional institution so our country may become democratic.

What happened on 16 December? All the changes within the FDP that Gen Noriega himself announced have not taken place. Do they want the whole country to change without changes taking place in the FDP? Contrary to what Gen Noriega said in his 15 December speech, the FDP has a history and it has the experiences of the Panamanian people and nation. If the Panamanian people and nation demand it, changes have to be made in the FDP or there will be no solutions.

To end, Ramon, because I know the time is up, I would like to take this opportunity to convey to all those who are listening to us my deepest Christmas and New Year's wishes. We have experienced something very great in 1987: That unity gives us hope in achieving democracy, justice, and honesty. That unity gives us hope that there will be better days in 1988. Christian Democrats share that hope with all our fellow countrymen. We convey our fraternal greetings to the Panamanian people during the most inspiring days of the year: Christmas and New Year's. Thank you.

[Jimenez] We thank Dr Ricardo Arias Calderon for being present here today on the "Open Microphone" program.

Proposed Electoral Tribunal Changes Criticized

PA211606 Panama City Telemetro Television in Spanish 2300 GMT 18 Dec 87

[Text] Alfredo Ramirez, president of MOLIRENA [Nationalist Liberal Republican Movement] has said: The Electoral Tribunal needs a change in magistrates, but the change suggested by the executive branch is not the most appropriate one because it distorts the Electoral Tribunal's work:

[Begin Ramirez recording] The inclusion of opposition or government representatives on that tribunal is not the guarantee sought by the country to ensure clean and honest elections. People with absolutely no links to political parties—whether government or opposition—should be members of that tribunal; upright, honest, capable, and credible individuals.

Using the tribunal as political loot for the opposition and the government rules out any possibility of holding an honest election. I do not believe that any true opposition

member will accept an appointment from the president of the Republic to become a member of the Electoral Tribunal under such conditions. [end recording]

Panamenist Leader Wants Closer Libyan Ties

PA220258 Panama City LA ESTRELLA DE PANAMA in Spanish 19 Dec 87 pp 1, 12

[Text] Luis Gaspar "Toti" Suarez, president of the Panamenist Revolutionary Party, warned here today that in Panama there are "a lot of people with no merits whatsoever who are trying to rock the boat."

The political leader has feelings of amity toward Libyan leader Al-Qadhdhafi, whom he has called "the greatest leader the Arab world has had after Jamal 'Abd al-Nasir" (from Egypt). Suarez yesterday called for increased cultural and economic ties with Libya. He also said that Panamanian Jews should not fear these increased ties.

Suarez said that he believes that "the misinformation campaign about Libyan-Panamanian relations is a clear sign of bad faith by people who want to sink Panama into a holocaust of death and chaos and who want to further destroy its economy."

He said: "There are people trying to scare the beloved Jewish community, among whom I have many friends-....the Jews are intelligent. They realize that these trade relations are the product of the people's welfare.... [no closing quotation mark as published]

Suarez visited Libya in November. During his 17-day visit he promoted the idea of reactivating existing agreements between Libya and Panama.

Suarez and Libyan leader Al-Qadhdhafi discussed the need to strengthen the agreements signed 10 years ago by General Omar Torrijos.

Suarez explained that the Agreements for Economic Cooperation and Trade were signed in Tripoli on 16 April 1977. They were approved by Law No 12 dated 28 October 1977 and published in the OFFICIAL GAZETTE No 18489 on 3 January 1978. The exchange of ratifications was carried out on 6 January 1979, and the agreements went into effect the same day.

There is also a Mutual Cooperation Agreement of 16 April 1977, approved by Law No 4 dated 26 October 1977 and published in the OFFICIAL GAZETTE No 18451 on 5 January 1978. The exchange of ratifications was carried out on 16 January 1978, and the agreement went into effect the same day.

The Libyan-Panamanian cultural agreement was signed on 6 April 1977 through Law No 12 dated 28 October 1977 and published in the OFFICIAL GAZETTE No 18475 on 12 January 1978. The exchange of ratifications took place on 16 January 1979. The leader of the Panamenist Revolutionary Party, as he now calls his political group, showed documents proving that all the agreements with Libya are more than 10 years old and date back to the days when Gen Omar Torrijos was leader of the country.

Businessmen Question Relations

PA192025 Panama City LA ESTRELLA DE PANAMA in Spanish 18 Dec 87 pp 1, A-18

[Article by reporter Edmundo Dante Dolphy]

[Text] Carlos Valencia, president of the Industrialists Association of Panama, told LA ESTRELLA DE PANAMA that if Panama decides to establish trade and cooperation relations with Libya we will be politically isolated intentionally and it would be a deathblow to our already weakened economy.

Meanwhile, Alberto Boyd, president of the National Council of Private Enterprise [CONEP], believes this attitude adopted by our government is "simply irresponsible" and will curtail private investment in our country.

There have been many reactions from various sectors regarding President Delvalle's administration's idea of strengthening ties with Libya. However, nothing definite has been done yet.

According to Carlos Valencia, if ties are established with Libya it would confirm the country's desperate financial condition and would also stress the government's confusion in adopting a measure that will, in the long run, do more harm than good.

Valencia explained that before there was any insinuation that the Panamanian Government would take this step, there were sectors within the U.S. Government that had doubts about eliminating aid to Panama or who believed that there were hopes that relations would improve. Now it is almost certain that no one in the United States is against isolating the Panamanian Government and suspending the military and economic aid it has been supplying to Panama for years. Valencia said that in view of the strained relations between the United States and Libya, an improvement of Panama's relations with the latter would change the attitude, perceptions, and intentions of those U.S. sectors, who are not yet radically opposed to the Panamanian Government. He said, "this is a political action that will have economic consequences."

Valencia also referred to the irreversible harm Panama would suffer from this action, if we bear in mind that our development is based mainly on a service economy and that all services would be affected by this action. He said, "I would call this a self-inflicted blow, which will directly lead to the downfall of our economy and the deterioration of our image in the international community."

He also referred to the possible impact this action would have on Panama's Jewish community, especially newcomers, who feeling threatened would reduce their investments here.

Valencia said Israel might cut off all aid or favorable actions if Panama strengthens relations with Libya.

CONEP President Alberto Boyd said that Panama's attempt to obtain funds from Libya to resolve our crisis "is irresponsible, because everyone knows the terrorist policy of the Libyan leader and government."

He said it would worsen the economic problem instead of resolving it. Besides, it could curtail private investment, which would be directed to other more stable countries.

Boyd said that in view of the tense U.S.-Libyan relations, Panama would gain nothing by strengthening relations with Libya. There is the danger that the Libyan leader would provoke worse confrontations with the United States, using the Panama Canal as the target for a terrorist attack.

According to Boyd, the banking system would also be affected. Customers might be concerned and withdraw their deposits because capital is very closely linked to political stability. He said that the capital drain might be much greater than the $200 million being sought from Libya.

Minister on 'Positive' Economic Growth

PA202247 Panama City Circuito RPC Television in Spanish 1730 GMT 18 Dec 87

[Passages within quotation marks recorded]

[Text] Jose Bernardo Cardenas, Panamanian minister for commerce and industries, has discussed a $110-million disbursement for Panama by an international credit organization.

[Cardenas] "We should not mistake U.S. Government actions for loans originating from international banks. This $110 million in unused funds from international bank loans can be earmarked for various programs. A large portion of this money will be spent in the construction of the high-water dam at La Fortuna. The rest can be used in projects that Panama regards as priorities. All this has nothing to do with U.S. Government sanctions."

As for the country's economic growth within the past few months, Cardenas said this:

[Cardenas] "According to the Planning Ministry and the General Comptroller's Office, Panama's economic growth was higher than 3 percent in June, when the disturbances that have so greatly harmed the national economy began. Nevertheless, despite the well-known events and the subsequent negative effects on the country's economy, the planning minister thinks that the end of the year will see the economic growth rate exceed 2 percent. This positive situation indicates that Panama's growth rate had been such that, despite the negative effects of the aforementioned events, it is still positive."

Government Announces 13th Month Bonus Delay

PA182025 Panama City Circuito RPC Television in Spanish 1730 GMT 18 Dec 87

[Communique issued by the Press Secretariat of the Presidency in Panama City on 18 December]

[Text] The Press Secretariat of the Presidency of the Republic releases the following communique to the public:

Communique to citizens in general and government workers in particular:

On the recommendation of the National Financial Commission, the national government has been forced to change the schedule for meeting its obligations as a result of the suspension of foreign economic aid programs. For this reason, the payment of th 13th month bonus has had to be delayed, but it will be officially paid on 22 December.

The Panamanian Government is the first to lament this delay, but it is also sure that all Panamanians would rather live with dignity than to submit to or kneel under foreign pressures.

Panama City, 18 December 1987

Argentina

Soviet Deputy Foreign Minister Meets Alfonsin

PY221433 Buenos Aires TELAM in Spanish 1330 GMT 22 Dec 87

[Text] Buenos Aires, 22 Dec (TELAM)—Soviet Deputy Foreign Minister Viktor Komplektov today briefed President Raul Alfonsin in detail on the recent disarmament talks held by U.S. President Ronald Reagan and Soviet leader Mikhail Gorbachev held in Washington.

This information was supplied by Komplektov himself, after a meeting with the Argentine president.

The visitor said that he carried out his mission on orders of the government of his country, because the USSR knows and appreciates the position that President Raul Alfonsin has displayed toward disarmament and world peace.

In a statement made in the press room this morning, Komplektov said that he and the president discussed only international issues, [words indistinct] the future, and the prospects for development within the framework of the talks held by Reagan and Gorbachev in Washington.

He said that as far as Argentina is concerned, this gesture is particularly important, because we are very well aware of the active and positive attitude that Argentina has displayed on the international scene.

He added that this also reveals the high level of Soviet-Argentine relations.

We did not mention specific bilateral issues, but in general terms I can say that there are reasons to be satisfied with the progress achieved in our relations, he concluded.

Sourrouille Denies Resignation Rumors

PY221829 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1245 GMT 22 Dec 87

[Excerpt] Buenos Aires, 22 Dec (NA)—Economy Minister Juan Sourrouille today affirmed that he will not resign his position at the ministry in March 1988, and denied rumors in the press concerning the identity of his replacement. Meanwhile, government sources asserted that "the press has the habit of announcing the resignation of economy ministers."

Commenting to NOTICIAS ARGENTINAS on the regularity with which the daily EL CLARIN publishes reports of the minister's resignation, the sources said, facetiously, that by now "there should be a regular column in the newspapers" devoted to such reports.

Minister Sourrouille said the article announcing that he is "politically used up" and will soon be replaced at the ministry was "unimportant." [passage omitted]

Navy Lieutenant Astiz Promoted, Retired

PY222349 Buenos Aires TELAM in Spanish 2321 GMT 22 Dec 87

[Text] Buenos Aires, 22 Dec (TELAM)—President Raul Alfonsin has approved the promotion of Lieutenant Alfredo Astiz to the rank of commander, although he has given instructions to the Navy chief of staff that Astiz not remain on active duty.

Water Leak Reported at Atucha I Nuclear Plant

PY230046 Buenos Aires TELAM in Spanish 0009 GMT 23 Dec 87

[Text] Buenos Aires, 22 Dec (TELAM)—The National Atomic Energy Commission [CNEA] tonight reported that the Atucha I Nuclear Plant suffered an accident when heavy water leaked into the reactor room while maintenance and verification work was being carried out.

In a communique, the CNEA indicated that the accident will not have radiological or environmental consequences, but plant operations will be closed down for more than 1 month.

Brazil

Accord Reached With Banks; Debt Interest Paid

PY231156 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 23 Dec 87

[Text] The Brazilian Government has signed a preliminary agreement with the creditor banks and, before the end of this month, will deposit $15 million to cover the October, November, and December interest payments on its debt.

The creditor banks will then deposit the first $1-billion disbursement of the bridge loan. To receive the second disbursement, which will amount to $2 billion, Brazil will have to make a $1-billion payment. This payment, however, will only be made after an agreement on the medium and long term of the foreign debt is reached.

Negotiations for a global agreement will start again on 11 January 1988. The deadline for reaching an agreement regarding these negotiations has been set for 15 January, but it will probably be extended.

The news regarding the signing of this preliminary agreement was reported to the acting finance minister and the Central Bank president late last night.

Foreign Minister Cited on U.S. Trade Measures

PY220258 Rio de Janeiro O GLOBO in Portuguese 21 Dec 87 p 19

[Text] Bauru, Sao Paulo State—In Arandu, Paranapanema valley, yesterday Brazilian Foreign Minister Abreu Sodre said he believes U.S. retaliatory measures against Brazilian exports as a result of the computer science policy could cost Brazil more than $172 million (11.7 billion cruzados). In his opinion Brazil must continue negotiating with the United States.

Sodre said: "I am talking about a $172-million loss for Brazil. However, it could be even more. In the United States I heard that the loss could total $700 million. I do not agree with this figure. But I feel the consequences will go far beyond the figures. We must consider what we will lose and what we will gain. If we ask the shoemakers, plywood manufacturers, and Embraer [Brazilian Aeronautics Company], they will all say we must compromise. However, I feel we must assess this compromise. We cannot violate our sovereignty, but we must continue negotiating on this issue with the United States."

In the foreign minister's opinion, Brazilian computer science policy must not be changed. However, Abreu Sodre advocates a change in some points that he says lead to "ideological emotionalism," points that are included in the current law on market protection.

Sodre said: "The law must be respected. Talks can now be held to establish terms of coexistence with the United States without disturbing the market protection policy, without changing what protects the country. The points that could lead to ideological emotionalism must be overcome. There are two or three cases that are being reviewed. A case in point involves the Microsoft Company. This case is being studied. Overcoming these points could solve the problem without hurting Brazil, and could make the United States realize the greatness of our country."

Government Issues Note on Chilean Refugees

PY182343 Brasilia Domestic Service in Portuguese 2100 GMT 18 Dec 87

[Text] The Ministries of Justice and Foreign Affairs today released a joint official note stating that the Brazilian Government is closely following developments regarding the occupation of the UN High Commissioner's office by Chilean refugees. The note adds that refugees are entitled to receive protection in a state of law where human rights are respected, and that the Brazilian Government will continue to extend all types of cooperation in the efforts to protect and give humanitarian assistance to refugees.

Military Commanders Host Luncheon for Sarney

PY181155 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 18 Dec 87

[Text] President Jose Sarney was the guest at a luncheon in Brasilia hosted by the top officers of the Armed Forces. Aeronautics Minister Moreira Lima gave a speech stressing the importance of the Armed Forces in the current transitional phase. The military officers are concerned with the political struggles and the absence of leaders to guarantee national reconstruction, he said, adding that it is necessary for the political leadership to maintain its equilibrium and seriousness in order to allow the government to win the people's respect.

President Sarney, in a speech, said that the Armed Forces are an essential source of stability in the country. According to Sarney, a weak Armed Forces is synonymous with a fragmented country. He concluded his speech by saying that all resentments have been overcome because there is perfect unity between civilians and the military. The president asserted that both the government and the people are aware that the democratic transition in Brazil is being aided, not opposed, by the military.

Aeronautics Minister Speaks

PY230243 Sao Paulo FOLHA DE SAO PAULO in Portuguese 18 Dec 87 p A-4

[Speech by Aeronautics Minister Octavio Moreira Lima at a year-end luncheon hosted by top officers of the Armed Forces, held at the Aeronautics Club in Brasilia on 17 December]

[Text] Your Excellency the President of the Republic, Your Excellencies Military Ministers, Your Excellencies General Officers:

The moments of happiness and resolve characteristic of the end of the year also give us the opportunity to gather together a good number of our admirals, generals, and brigadiers to strengthen, once again, the respect of the Armed Forces for the president of the Republic.

This respect that we profess is one of the ideals the military officer learns early in his career and practices forever, seeking to preserve the institutions the nation has entrusted to him.

Mr President, we think it appropriate to meditate for a time on the essence of our existence as an expression of the people's will, a people who—of their own free will—decided to enlist a considerable number of their fellow citizens in the Armed Forces and gave them the responsibility of defending their cultural legacy and material goods.

Based on this same sovereign will, these people—who by a communion of goals call themselves a nation—shaped a president for themselves. They designated him commander in chief of that force that will be employed when the nation feels that its interests, its true aspirations, its values, and its sacred rights are threatened.

This is what we understand to be the mission of the military. We have walked different paths in our history in an effort to keep in step with our people, for a single and just reason: We are an indivisible part of a whole. We make the decisions—correct and incorrect—together.

Mr President, the transition commitment has been filled with challenges. The advances and retreats caused by situations that demanded or generated different decisions have marked the lines of prudence and sereneness of Your Excellency and the vision of one who seeks to reconstruct democracy, an objective we cannot overlook.

To conduce, in a firm and orderly manner, the Brazilian people to a higher level of democracy, inspired not by the ideological subversion of the minority, but by and with the collective awareness that characterizes us as an organized nation, is, Mr President, how we understand the noble mission history has reserved for us as men of public office, and for you, in particular, Your Excellency, you who have the responsibility of liberating us in this decisive stage of our political enhancement.

Our military training allows us to understand what we have to decide and order under a given set of circumstances. Actions in the political field are similar to military strategy. Those experienced in tactical military strategy are only combat components and those who equate advances and retreats with victories and defeats risk losing their understanding and perspective.

We are concerned about the errors of many who seek political power in an unstable situation. Upon analysis, we see that such people will always be a risk. Therefore, now, more than ever, it is necessary to preserve those leaders who will give practical answers regarding the political reconstruction process in the country. This process will not end with the promulgation of a new constitution.

We are certain that disagreements necessarily emerge in any transition process. These disagreements are the results of the clashes of ideas common in any democracy. However, the current situation we are living through demands, from all those who hold responsible posts in the country, seriousness, civic awareness, balance, and moderation, so that we may receive understanding, tolerance, and respect from the people.

Only in this manner will we be able to prevent the clashes of ideas from becoming clashes among men.

This is, Mr President, what we understand to be the common responsibility of the leadership of all segments of our society, namely, of the citizen.

We are now trying to identify the paths and strategies that will lead us, as citizens and military men, to the fulfillment of our people's desire.

This is why we give our support to Your Excellency to face the problems you are likely to encounter. We will be watchful of positions and measures that may distort the people's general will and that, in the name of democracy, will seek to destroy that same democracy.

If liberty and democracy are Brazil's main objectives, we Brazilians will do everything possible to achieve them.

Thus, Mr President and commander in chief of the Armed Forces, we sum up what we understand to be the mission of the Armed Forces in their role as people in uniform.

On this occasion we want to thank Your Excellency for the unconditional support with which you have honored the Armed Forces, for taking care of their basic needs, and for your understanding and disposition to turn them, in the long term, into the ideal organization demanded by Brazilian society.

Together with our Christmas wishes for your family, we want to reaffirm to Your Excellency, President Jose Sarney, our decision to uphold our principles, values, and fidelity, which flourish as living things.

I invite you all to share in a toast that will convey the unity of our ideals. Thank you very much.

Admiral Henrique Saboia: navy minister

General Leonidas Pires Goncalves: army minister

Lieutenant Brigadier Octavio Julio Moreira Lima: aeronautics minister

Sarney Gives Reply Speech

PY230042 Sao Paulo FOLHA DE SAO PAULO in Portuguese 18 Dec 87 p A-4

["Text" of speech by President Jose Sarney to military officers during a year-end luncheon at the Aeronautics Club in Brasilia on 17 December]

[Text] I want to thank Minister Moreira Lima for the generous words he conveyed in the name of the other military ministers and of everyone present here today.

This ceremony, as he said, has a symbolism that transcends individuals and encompasses the institutions.

This is not just a comradeship reunion. It reflects our awareness of the fact that the commander in chief of the Armed Forces must be fully integrated with his subordinates. Integration is essential in creating the atmosphere required to exercise one's duties of command through and with trust, example, generosity, patriotism, and a sense of justice. Therefore, the commander in chief must look after his subordinates. He must give them the means to fulfill their mission. He must defend their dignity; under no circumstance should he let anyone slander military dignity. The commander in chief must make his subordinates feel respected and provide them with and ensure their training, well-being, and a dignified standard of living. He must bear in mind the following verse by the old poet Camoes: "...I will never praise that captain who says 'I did not care.'"

A country in which the Armed Forces are weak is a weak, divided country. To have poorly trained Armed Forces means to suffer national insecurity, a threat to domestic peace, and a loss in international prestige. Without domestic and external peace, one cannot think of progress. Without development, one cannot have jobs, a better distribution of income, a better standard of living, or investments, and thus one cannot have any hope of a better future.

In this complex world of modern societies, the Armed Forces play a fundamental role because of their capability for action and because they are a source of stability that creates the basic conditions for building national wealth.

The constitutional duty of commander in chief of the Armed Forces bestowed upon me as president of the Republic compels me to care for the armed institutions; to be the first one in defending them, in preserving them, and in honoring them. This is my duty as commander in chief. The Air Force, the Army, and the Navy must serve the nation and the institutions. Therefore, they should never be weakened. To fail to comply with this responsibility would be to commit a serious dereliction of duty. Only if I comply with this duty will the Armed Forces be able to comply with my orders.

The Armed Forces will not be able to comply with the orders of their commander in chief if they are poorly prepared, poorly trained, discouraged, and uncoordinated.

Gentlemen, since my inauguration, I have tried to provide all military personnel with the best professional training and with a higher standard of living. I have also tried to promote respect for the military institutions by defending them from their enemies, from those who were trying to slander them; I have sought to steadily strengthen military unity by fully incorporating the Armed Forces into the overall structure of the national government.

Thanks to this policy, today there is no resentment but rather perfect unity between civilians and officers, and there is a constructive dialogue regarding our problems. Today, we are aware that we are part of the whole and that the democratic transition in Brazil is being conducted with the military, not in opposition to them.

Thus we have achieved democratic progress during the past 33 months. This progress—which was achieved in a very short time—is unprecedented in our history and in the history of other countries that have chosen the democratic way to transform themselves from authoritarian regimes to states of law, without traumatic incidents, bloodshed, or irreversible divisions.

We have restored all liberties; we have promoted participation by everyone in our national life without any ideological discrimination. We called the national Constituent Assembly which, amid long and heated debates, is completing its tasks without endangering domestic peace, without violence or divisions.

To manage a Constituent Assembly is a task for a statesman with a broad vision of the history of his country, of its past and its future. This political undertaking was designed and developed under difficult conditions. It required patience, understanding of negotiations, flexibility, and ability to resist the temptation to use power arbitrarily.

All at one time I had to take unpleasant measures to fight recession; to calm opponents; to deal with an uneasy society undergoing changes; to face adverse employment conditions, and to bolster inadequate foreign, domestic, and governmental savings—in sum, all types of problems. Politics will always mean trying to make adjustments; perhaps it is what Bismarck called "the art of the possible." My efforts have always been focused on addressing fears of a return to the past; fears about unfortunate use of organized, clandestine political violence as a means to seize power.

I have tried "to mediate between conflictive positions and interests, which are real and which stem from social conflicts and groups" and are exacerbated in times of transition.

Politics, in order to be morally sound, must be exercised within certain limits.

There can be no democracy if the government fails to understand that it has to tolerate dissent.

It is the president's job to solve conflicts.

In this context, the Brazilian Armed Forces have been faultless in complying with their mission to help consolidate the institutions, which they have always been ready to defend. The Armed Forces have effectively preserved domestic order, have protected the country against possible threats, and have maintained our foreign prestige

and security with unity and great patriotism. Quoting Castelnau, we can say that "while the value of a group rests with the value of each member, it rests even more with that imponderable called power of cohesion." Never before in our history has the unity of our Armed Forces been so critically needed. Thanks to this unity and to the unblemished behavior of all military personnel, who have obeyed the orders of their commander in chief—who embodies political power and acts on behalf of all three branches of government—we have achieved the institutional successes we are now enjoying.

Generals, we have had a dificult year. How many difficult years did we have in the past and how many more will we have in the future along the path we are taking? Difficult years have not prevented Brazil from building its greatness, its future, and its position in the world.

Despite our difficulties, we continue to grow in a world marred with recession. We still maintain a high level of employment, and had a record agricultural harvest. We have also made investments in the energy, transportation, and basic industry sectors, and have discovered new mineral deposits. We have made progress in areas of advanced technology and have quietly but increasingly expanded social programs designed to improve the standard of living of millions of poor Brazilians.

Therefore, we have no reason to complain or to be pessimistic. The history of mankind is filled with courage, with difficulties and obstacles that have been overcome.

In concluding, I want to mention my own calm and confidence despite all the misunderstanding. Some minority groups daily try to foment pessimism, protests, and skepticism regarding our way of life and our institutions. They are moving from words to violence. This technique is designed to destabilize society. It is called the scorched earth policy, which is in fact the most scorched of all policies.

Ministers and generals, I want to thank Ministers Henrique Saboia, Leonidas Pires Goncalves, and Octavio Moreira Lima, and General Paulo Camarinha, for the helpful advice they have given the government in making decisions in the military sector.

I know we are prepared to defend our borders, which are today threatened by drug traffickers and by destabilizing movements promoted by violent groups operating in neighboring countries; to protect our coveted national resources; and to guard our vast unoccupied territories. Our sailors, soldiers, and pilots are keeping a watchful eye on these territories.

Military personnel are discharging their duties both inside and outside their barracks by assisting the helpless, by building roads and air fields, and by patrolling our rivers and coastline.

They are following the examples set by Caxias, Rondon, Tamandare, Barroso, Osorio, Sampaio, Eduardo Gomes, and Mascarenhas de Moraes, who represent the pioneering, defending, patriotic, humane, and heroic spirit that have characterized the members of our Armed Forces.

The world has undoubtedly changed. Today, the great powers are seeking to transfer their disagreements onto our territories to influence political positions in our national disputes. We must be cautious so that we do not become either pawns or prisoners in these disputes.

We are also prepared to prevent these attempts and to stop them when they become a threat to constitutional freedom.

We are prepared to fight destabilization, as well as those who make the road to democracy a suicidal one.

We are prepared to resist economic aggression, to defend our resources, and to retaliate; in sum, we are prepared to continue exercising our sovereignty.

We will uphold democracy and its values. Complying with their duty, our patriotic and dedicated Armed Forces will make a decisive contribution in his endeavor.

I want to thank you for this luncheon and wish you and your families a Merry Christmas and Happy New Year.

I toast the greatness, prosperity, and peace of our fatherland, our people, and the Armed Forces.

Thank you.

Federal Police Seize Cocaine in Santos

PY171707 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 17 Dec 87

[Text] The police confiscated 100 kg of pure cocaine in the Port of Santos at dawn today. The drug came from Colombia and was to have been shipped to Europe. Three traffickers, all of them Brazilian, were arrested.

Meanwhile, in Sao Paulo, the Federal Police have been burning the drugs that they have confiscated over the past 3 years.

The Federal Police this year have broken the record for arrests of drug traffickers. In Sao Paulo alone they intercepted 584 kg of cocaine, worth more than 5 billion cruzados. The police today burned only part of what has been seized over the past 3 years: 12 kg of marijuana; 1,800 ether ampules, which were broken before burning; and 220 kg of cocaine.

There is more than a ton of cocaine in the drug storage house of the Federal Police in Sao Paulo. Before burning it, the police need a court order, and this is slow in coming.

[Begin recording] [Reporter] Have the police arrested more drug traffickers this year than last year?

[Jose Augusto Bellini, Federal Police Narcotics Department official] Yes, according to our statistics, we arrested more traffickers this year. We arrested 100 traffickers this year, and some 95 percent of them have been given prison sentences. [end recording]

Parana State Made 'Denuclearized Zone'

PY222226 Rio de Janeiro O GLOBO in Spanish 22 Dec 87 p 6

[Excerpt] Londrina—Yesterday afternoon Parana State Governor Alvaro Dias signed a law here making the state a "denuclearized zone." The law prohibits the installation of nuclear plants, even for the production of nuclear energy; the installation of nuclear weapons; and the transportation of such weapons in Parana State.

The governor admitted, however, that the law is unconstitutional. He explained: "I always refused to promulgate an unconstitutional law but this is an exceptional case. In reality, this law is the manifestation of the state's political will. Our position has been officially established and we hope the federal government will respect the law. It certainly should respect it."

Governor Dias said that his will alone is not enough; what counts is the will of the people of the State of Parana to really make Parana a "denuclearized zone. It is important that legislation at the national level be established in this regard."

Alvaro Dias said that "Brazil is awakening to the need to take necessary measures to preserve human life." [passage omitted]

Chile

Garcia Cited on Terrorist Extradition Request

PY211354 Santiago Domestic Service in Spanish 0930 GMT 21 Dec 87

[Text] Foreign Minister Ricardo Garcia has said that the Foreign Ministry is concerned about the extradition of terrorist Cesar Bunster from Spain, because this man led the attempt on the president's life. The minister made this statement after presiding over a ceremony marking the end of the school year in the Chilean diplomatic academy.

[Begin Garcia recording] It is a matter about which we are concerned, and you know very well why. According to the background information, which is known to the public, Mr Bunster was closely linked to the attempt to assassinate the president. This is clearly a terrorist action. Based on the existing background information, a note has been submitted to the Spanish Government requesting the extradition of Bunster, who is in that country. We are paying particular attention to this case; because of its obvious implications, and because we abide by the terms of the extradition treaty that was signed by the two countries, we expect Spain to do the same thing. [end recording]

Minister Garcia said that the Spanish Government has not yet made a final decision on the request for the extradition of terrorist Cesar Bunster.

No Comment Made on Ecuadoran Antarctic Claim

PY211816 Santiago Domestic Service in Spanish 1600 GMT 21 Dec 87

[Text] The Foreign Ministry will make no comments on the Ecuadoran decision to send the oceanographic ship [name indistinct] to the Antarctic.

According to press reports, Ecuador claims rights over a 323,000-sq km area in the Antarctic. This area includes an important part of the territory that Chile claims as its own. The Ecuadoran ship is due to arrive at (Almirante Ungo) Bay by mid-January.

Young Demonstrators Arrested 19 Dec Released

PY211527 Madrid EFE in Spanish 1651 GMT 20 Dec 87

[Text] Santiago, 20 Dec (EFE)—Leaders from the Political Parties Youth Coordinating Board for Free Elections confirmed today that the approximately 100 youths arrested on 19 December during a demonstration in downtown Santiago have been released.

The youths, numbering 53 according to other reports, were released on the afternoon 19 December. Three youth leaders, including Yerko Ljubetich, coordinator of the youth movement, were summoned to a military court, accused of allegedly mistreating Carabineros.

The youths from the coordinating board, which groups 14 Chilean political parties that range from rightist Republicans to Communists, were trying to hold a massive rally downtown yesterday in support of free elections, when they were repressed by the police.

The Carabineros used tear gas to disband the youths in downtown Santiago at a time when many people were shopping as part of the Christmas festivities.

Among other youth leaders arrested together with Ljubetich were Felipe Sandoval, president of the youth faction of the Christian Democratic Party; Jaime Jelincich, leader of the Radical youth; and former Senator Alberto Jerez, who was arrested when he went to a police station to ask about the arrested youths.

Three Alleged FPMR Terrorists Arrested

PY170239 Santiago Domestic Service in Spanish 2200 GMT 16 Dec 87

[Text] The Intendant of the 9th Region has issued the following communique:

National Intelligence Center [CNI] personnel today, 16 December 1987, arrested three members of the Manuel Rodriguez Patriotic Front [FPMR], the armed branch of the PCCh, and seized arms, explosives, and subversive materials. These terrorists directly participated in blowing up electrical towers in Cajon and (Princo), placing bombs at the monument on Nelol Hill, and attacking a local radio station. The terrorist cell moved around Temuco and other towns of the 9th region.

The following terrorists were arrested today in accordance with Interior Ministry Decree 6,335: Juan Antoni Painecura Antinao, who had no identification card, 35 years old, alias Juan Julio Maximiliano, chief of organizations of the FPMR; Jorge Segundo Saavedra Villegas, identity card 5,214.047-1, 35 years old, alias Gabriel and Juan, chief of FPMR operations; and Maria Angelica Mariangel Toledo, identity card 6,760,746-5, 38 years old, FPMR assistant.

CNI personnel raided the house of the terrorist Juan Antonio Painecura Antinao, located at 0594 David Perry Street, Temuco, and found the following materials in the attic: 5 M-16 rifles, 25 rounds of 9-mm ammunition, 1 kg of plastic explosives, detonators, pamphlets, Marxist-type literature, 20 meters of detonating cord, 12 home-made grenades, 1 fragmentation hand-grenade, 2 dynamite sticks, and 2 booby traps that police detonated outside the premises.

CNI personnel are continuing the investigation in Temuco and nearby areas to determine the range of the FPMR cell.

Training Camp Located

PY211425 Santiago Domestic Service in Spanish 0930 GMT 21 Dec 87

[Text] National Intelligence Center [CNI] sources have reported the discovery of an underground hut in which weapons, radio equipment, explosives, and nonperishable food items were found. The CNI said that the hut is in an FPMR training camp.

The camp was discovered after a careful search by special forces in the (Galletue) Lake area, at the foot of the Andean range, more than 130 km southeast of Temuco.

In this camp groups of 8 to 10 terrorists were trained during winter, in order to give the best training to the guerrillas who operate in rural areas. It is located in an almost inaccessible place, a steep rocky area, more than 2,000 meters high. The camp had been in operation since June 1986.

The hut is at the bottom of a hole 1.5 meters deep; the hole was used as the access to a tunnel approximately 13 meters long. Four M-16 rifles, 250 bullet clips, an (Ecom-PC 730) long-range radiotransmitter with all accessories, coaxial cable for a bipole antenna, catalogues for operating the radiotransmitter, 3 knapsacks, 5 ski masks, axes, mountaineering (?picks), water-proof flashlights, compasses, mountaineering shoes, clothing, tools for mountain work, first-aid material, drums, jugs, pots, spoons, canned food, and even lip protector were found inside the hut.

The camp was discovered following the arrest of three FPMR members, who were identified as Jorge Segundo Saavedra Villegas, 35, who was the chief of operations of the camp; Juan Antonio Painecura Antinao, who probably was in charge of organizing the guerrilla squads; and Maria Angelica Mariangel Toledo, an assistant.

CNI personnel continue to conduct an intense dragnet throughout the area at the foot of the mountain range in the 9th Region, seeking to uncover the FPMR network, whose members have been charged with bombing the ENDESA [National Electric Power, Inc] electrical towers in Cajon, (Metenco), and Cerro Nelol.

Mormon Church in Santiago Attacked

PY220140 Santiago EL MERCURIO in Spanish 12 Dec 87 p C-12

[Text] The night before last unidentified individuals attacked with fire bombs a Mormon church at the intersection of Vicente Valdes and Juan Pineda Streets in La Florida district [of Santiago].

Carabineros reported that four men threw a Molotov cocktail and a burning tire at the church.

Before escaping, the unidentified individuals distributed pamphlets with the slogan "Rebel youth for victory and a plentiful life, Lautaro Youth Movement's 5th anniversary."

Paraguay

Uruguay's Iglesias Arrives, Discussses Trade

PY221959 Asuncion EL DIARIO NOTICIAS in Spanish 22 Dec 87 p 13

[Text] Uruguayan Foreign Minister Enrique Iglesias arrived at 0235 this morning at President Stroessner International Airport. Iglesias was welcomed by his Paraguayan counterpart, Carlos Augusto Saldivar, Uruguayan Ambassador to Paraguay Jorge Pacheco Areco,

and other personalities. Upon his arrival, Iglesias stated to the press: "We will discuss topics of common interest to Uruguay and Paraguay, the general situation of the region, and most importantly we will try to improve the cooperation which we have strengthened and promoted in the past few years and which is at a very good level. We recently attended a River Plate Basin meeting, where it was clearly seen that there is much to be done in this region. This is why we are in Paraguay."

[Question] Do you plan to discuss the integration process that was promoted by Uruguay, Argentina, and Brazil with the Paraguayan foreign minister?

[Iglesias] All these efforts have a common objective aimed at promoting cooperation among the countries of the region. All countries of this region belong to ALADI. We are all part of an integration scheme which we have supported and for which we are working. We will probably discuss the way these efforts supplement each other and how they reflect our aspirations for integration.

[Question] Is ALADI fulfilling its objective?

[Iglesias] Some objectives are being fulfilled; others are not. Some objectives are being fulfilled because we are better off now than we were some years ago. Nowadays we know each other better, and I would say that countries like ours can be used as an example. More than one-third of our trade is within ALADI. If we take into account the rest of the Latin American countries, the figure reaches 40 percent.

This means that ALADI is not just a good proposal but a concrete reality that encourages us to promote this initiative. Our relations with Paraguay are on the right path, and we are willing to follow this path.

[Question] Can FONPLATA [River Plate Basin Fund] become a regional bank?

[Iglesias] That is FONPLATA's objective. I do not know if it will become a bank, but that possibility must be studied. I think the basin is a vigorous and important reality and that FONPLATA is a financial institution which has resources. I believe this involves the availability of funds, including funds that are not being used. We will try to use those funds in the future.

[Question] Do you trust the Latin American Common Market?

[Iglesias] Yes. I have trusted the Latin American Common Market for many years and I feel it is a reality which needs political support and revitalization. I am not saying that this is the solution, but I think it is an important aspect of the solution. Our countries, which have many things in common, must support and give meaning to our integration initiative so that it can help us move forward.

[Question] Is it possible to establish a common market in Paraguay, taking into account that industrialists, for example, complain of frequent obstacles?

[Iglesias] We are always going to have minor problems with trade. The worst would be to believe that these obstacles are insurmountable. We are always going to have problems, because, most of the time, those who are successful do not say anything and those who do not succeed, protest. We do not have to invent those problems because they also exist elsewhere in the world.

Meets Opposition Leaders

PY222213 Asuncion ULTIMA HORA in Spanish 22 Dec 87 p 10

[Text] Reporting on a meeting between National Accord members and Uruguayan Foreign Minister Enrique V. Iglesias, Domingo Laino [Authentic Radical Liberal Party, PLRA, president] said: "We did not ask for any type of intervention whatsoever. This was just a conversation between Paraguayan and Uruguayan democrats who are concerned about Latin America's destiny."

This morning Uruguayan Foreign Minister Enrique V. Iglesias held a long meeting with political opposition leaders. At the hotel where he is staying the distinguished visitor met with Miguel Angel Gonzalez Casabianca, Carlos Romero Pereira, Domingo Laino, Jose Felix Fernandez Estigarribia, Miguel Abdon Saguier, Mrs Solange Garcia de Saguier, and Luis Alfonso Resck.

Referring to the meeting with Iglesias, a high ranking official of the government of Dr Sanguinetti, Domingo Laino said: "We had a very cordial and interesting chat with the Uruguayan foreign minister.

The PLRA president also reported that "we did not ask for any type of intervention whatsoever. This was just a conversation between Paraguayan and Uruguayan democrats concerned about Latin America's destiny."

"I would like to say that the foreign minister, who is an illustrious guest of Paraguay, told us that a so-called 'open' policy is currently being implemented in Uruguay. Uruguay has ties with all nations, regardless of the political system prevailing in those nations," added the PLRA president.

"We expressed our satisfaction over Uruguayan efforts within the Contadora Group, which is strengthening its peaceful principles in order to negotiate peace in Central America," Laino said.

"Elsewhere, we expressed our concern over the concession of free ports. However, our intention is not to interrupt the traffic but to point out that corruption is being exported from Paraguay and that there are a lot of illegal deals under this system. The Paranagua free port, where reports have been filed on alleged arms shipments

to South Africa, is a case in point. Other types of illegal deals, which can be ascertained by Parana State Governor Alvaro Dias, also occur," Laino emphasized.

Peru

Health Minister Resigns, Citing Strike as Reason

PA222314 Paris AFP in Spanish 2224 GMT 22 Dec 87

[Text] Lima, 22 Dec (AFP)—Ilda Urizar, Peruvian health minister, reported her resignation to the press today, saying it results from the strike of 70,000 Health Ministry employees, which has paralyzed all health services for the past 42 days.

Urizar, the leading member of the ruling APRA Party, said the strike is against her. She has declined to be a member of the Council of Ministers headed by Senator Guillermo Larco Cox to enable the workers to end their show of force.

The strike, in which doctors, nurses, and auxiliary and administrative personnel have participated, has caused a grave crisis in that sector. The strike has resulted in the disruption of services at all state hospitals and health centers, which cater to low-income patients.

President Alan Garcia's government has not yet announced its position regarding the resignation of Health Minister Urizar, who is also APRA's undersecretary general.

Benjamin Leon Chilquillo, leader of the ministry's auxiliary and administrative personnel, this afternoon said the employees have not requested the minister's resignation and the purpose of their strike is to demand higher wages.

Urizar, 39, was sworn in as health minister on 27 June. She belongs to APRA's radical wing.

Army Repels Attack; Clashes With Terrorists

PY231158 Lima America Television in Spanish 0405 GMT 23 Dec 87

[Text] We now have a report by (Edgar Porto Carrero) from Tarapoto. Good evening, Edgar; please go ahead with the information you have.

[Begin (Porto Carrero) recording] Good evening, Guido. On Tuesday, 22 Dec, at 1000 an Army patrol clashed with an armed group of the Tupac Amaru Revolutionary Movement [MTRA] in San Pablo town on the banks of the Sisa River between the Agua Blanca and Consuelo Rio Sisa districts, 40 km west of Tarapoto, about 140 km from here.

A soldier of the Peruvian Army was killed and two were wounded as a result of the clash. The two wounded soldiers were transferred to Lima at 1710 today on board an Antonov aircraft from Tarapoto airport.

According to information provided by the inhabitants of the area, a helicopter was set on fire here at Tarapoto airport. More that 15 members of the terrorist group were wounded and 6 were killed. The wounded members of the Peruvian Army were taken to Lima today. They have been identified as Captain (Juan Barlos Ofalledo), 26, who received bullet wounds to his chin and right shoulder, and Army soldier (Pedro Souza Caramar), 19, who has grenade shrapnel in the right shoulder. He seems to have sustained this wound when trying to save one of his comrades. The wounded soldiers were taken to Tarapoto hospital at 1225 today where they underwent emergency surgery. It was then decided to send them to Lima at 1710 due to their delicate condition. [end recording] Edgar, regarding the rumors circulating in the town about the helicopter set on fire at the Tarapoto airport, do you have any confirmed report on it?

[Begin (Porto Carrero) recording] Yes, I wanted to talk about that incident. We have firsthand information because we received Official Communique No 15 from the Military Political Command 5 minutes ago. The communique states:

The Military Political Command of the San Martin Department reports that:

1. On 22 December 1987, at approximately 1900, MRTA terrorists attacked the Tarapoto Airport.

2. Apparently, one of the objectives of the attack was to destroy a Peruvian Air Force helicopter (MI-6), which was parked at that airport.

The MRTA terrorist attack, however, was not successful. The terrorists caused only minor damage to the helicopter, because members of the Armed Forces responsible for the security of the airport, and other reinforcements repelled the attack.

The communique ends by stating that members of the Armed Forces and of the Police are pursuing the terrorists.

Regarding those injured during the clash with MRTA terrorists, the Military Political Command has released Communique No 16 which states:

At approximately 0330 today, an Army patrol was conducting an operation in (Patas Mayo), Agua Blanca District in (Lama) Province, when it clashed with MRTA terrorists. The terrorists escaped to the mountains. At approximately 0630, the patrol again clashed with the terrorists in the mountains near the (Sisa River). At 1050, the patrol surrounded the terrorists, and there was a third clash.

As a result of these clashes, an Army officer and a conscript were injured. First Sergeant (Jose Solsol Butana), born in Tarapoto, was killed in combat, and four unidentified MRTA terrorists were killed.

During the operation, a great quantity of weapons, ammunition, and equipment was seized. It has been reported that the bodies of the four terrorists are being kept at the Tarapoto Hospital Morgue. In view of the curfew, however, reporters of America Television cannot visit the place or check on the information contained in the communiques released by the Military Political Command. [end recording]